

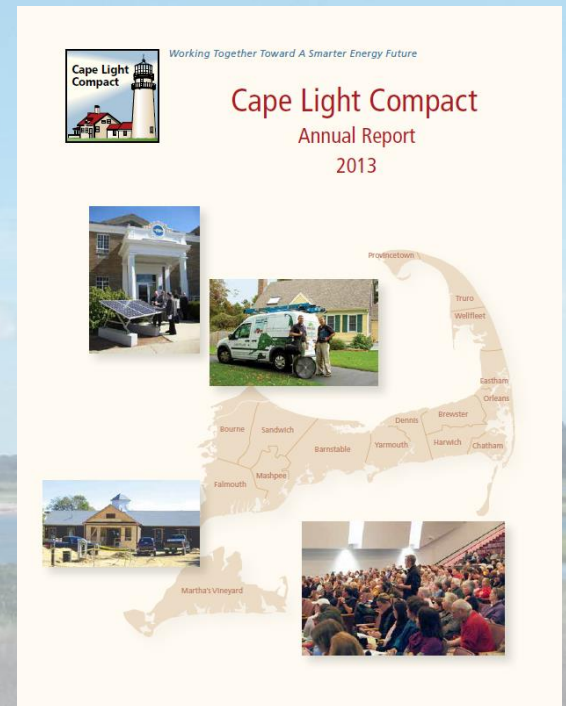
2013 Annual Report to Communities

February 11, 2015

**Cape Light
Compact**



Working Together Toward A Smarter Energy Future



Purpose of Report



- Starting with 2013, Compact will produce annual report
- Inform members towns/counties and public of Compact activities, including financials
- Copies of report will be sent to the towns/counties and posted on Compact website



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Highland Light in Truro, which serves as the Cape Light Compact logo, was one of the first sites in the region to use electric technology—a telegraph system installed in 1855.

History – Innovation & Achievement



- National Context in 1980's and 1990's
- Local Picture Pre – Cape Light Compact
- Formation of the Compact
- Key Achievements



Energy Efficiency



- Highlights for Residential and Commercial customers
 - How many participants, kWh and \$ saved
 - LED Streetlights, NEEP Business Leader Award, Main Streets Initiative
- Highlights for Energy Education
 - Winners of the NEED Youth Awards, school energy carnivals



Power Supply and Consumer Advocacy



- Overview of Power Supply and CLC Green
 - Prices, what was occurring in the electricity market (high prices due to gas pipeline constraint)
- Overview of Consumer Advocacy
 - Past efforts, 2013 advocacy efforts



Other sections



- 2013 Independently Audited Financial Statements
- Board Members (past and present)
- Staff
- General FAQs on the Compact





"It was a substantial amount of money my company would save in using the Cape Light Compact program to convert over to energy efficient fixtures and bulbs...I would recommend this as a wise business investment for any business owner, whether you own your building or are a lessee, you are definitely going to save money with the program."

Jack Kelliher, General Manager, Sportsite Health & Racquet Club, Sandwich

"It's really a win-win situation. The Compact, in my opinion, is looking out for my interest. Your electrical component of running a property like this is a big expense. Imagine...if I didn't take advantage of these programs, it might even be cost prohibitive to stay open year-round, but because of this we are able to stay open twelve months and employ people twelve months. I'm looking forward to taking advantage of more programs if available."

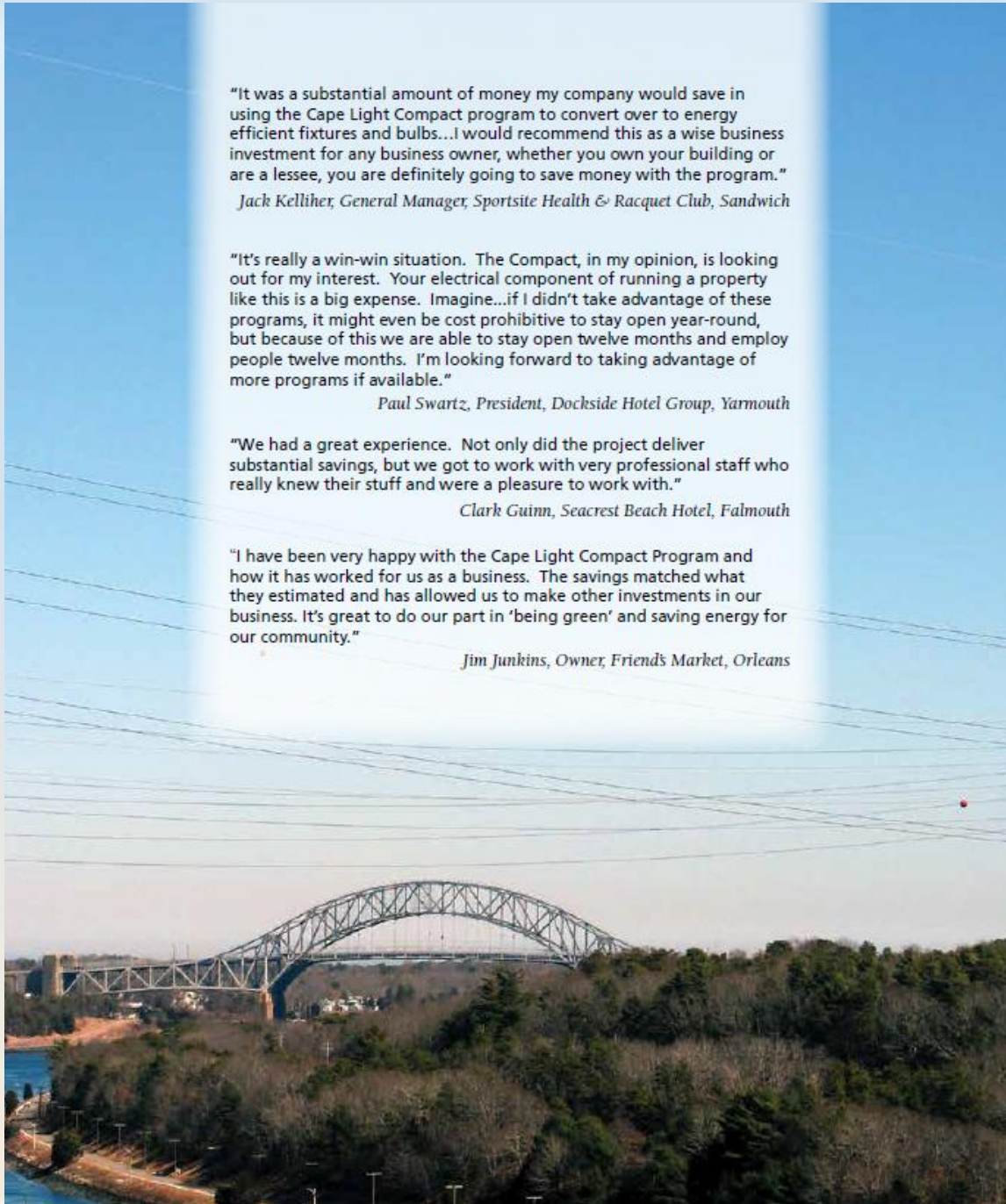
Paul Swartz, President, Dockside Hotel Group, Yarmouth

"We had a great experience. Not only did the project deliver substantial savings, but we got to work with very professional staff who really knew their stuff and were a pleasure to work with."

Clark Guinn, Seacrest Beach Hotel, Falmouth

"I have been very happy with the Cape Light Compact Program and how it has worked for us as a business. The savings matched what they estimated and has allowed us to make other investments in our business. It's great to do our part in 'being green' and saving energy for our community."

Jim Junkins, Owner, Friend's Market, Orleans



Future Reports



- Same level of detail?
- Shorter? (Financials, brief info on programs, list of board members, FAQs)

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2016-2018 PLANNING

COMMERCIAL & INDUSTRIAL

REFINING OUR C&I PROGRAM SERVICES

Objective - To Better Align with Customer Needs and Goals for our Territory

- An enhanced customer experience, regardless of size
- Improved allocation of staff and budgetary resources
- An increase in savings achieved
- More cost-effective service of each customer group

OVERVIEW

1. Redefine Small C&I in size and services
2. Create 2 new categories for C&I:
 - *Medium*
 - *Large*
3. Continuations with small adjustments

SMALL C&I REDEFINED

- **Revised size**

<100,000 kWh/year

~14,200 accounts

~24% of C&I load

- **Revised service model**

- Predominantly Instant Savings Measures rather than screening for each site
- Additional measures from Residential portfolio – ex. Small appliances
- Provide a full Business Energy Assessment (BEA) and Report

- **Result**

- More measures available to small customers
- Reduced delivery costs
- More useful energy assessment information for the customer

LARGE COMMERCIAL & INDUSTRIAL

Our top largest customers

- Defined

> 1 million kWh/year

largest ~80 premises

~26% of C&I load

- Of these 80, the top 15 alone comprise 15% of our C&I load
- All likely to have staff responsible for energy issues
- **Service Model**
 - Delivery via Tailored MOU (Memorandum of Understanding) Approach
 - Dedicated staff person/relationship manager with ongoing contact
 - Development of tailored strategic EE plans/agreements
 - Leveraging of vendors as subject experts
- **Result**
 - Proactive and collaborative strategic relationship with our largest energy users

MEDIUM COMMERCIAL & INDUSTRIAL

Medium C&I

- Defined

> 100,000 and < 1 million kWh/year	~1500 premises	~50% of C&I load
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- Too large for a one-size fits all approach with BEA and deemed savings, but not large enough to have energy efficiency personnel
- **Service Model – Industry Segmentation Approach**
 - Vendor delivered with expertise for sector
 - Measures, offerings and marketing targeted to the specific needs of each sector
 - Leverage trade associations – e.g. grocery, lodging, restaurant
- **Result**
 - Meeting customer needs re their business with targeted approaches designed by experts for our most common C&I segments

WHAT'S CONTINUING, WITH IMPROVEMENTS

Municipal Service

- Separate staff lead
- Special incentives for greater cost coverage
- Possible tweak - Attach some requirements to certain 100% incentives to improve customer capabilities and insure greater savings persistence. Examples:
 - Requiring periodic training attendance for an EMS system
 - Commitment to a maintenance contract for certain equipment

New Construction

- As now, choice of equipment based or whole building approach
- Possible tweaks
 - Adding savings/incentive level tiers within whole building approaches
 - Opportunities for rationalizing paperwork requirements
 - Move to a vendor-based management model

OTHER CONSIDERATIONS

Special Program Offering for Non-Profit Customers – under development

- Offer up to 100% incentive for all cost effective measures as determined by building type
- **Potential Parameters**
 - Must be a 501c(3) organization that promotes economic, social and or cultural development on Cape Cod or Martha's Vineyard
 - Must be operating for a minimum of 3 years
 - Must have an unrestricted annual operating revenue of no more than \$XX

APPENDIX: PROGRAM SIZE SUMMARY

Category	Usage Size in kWh/year	Number of Customers	Percentage of C&I Load
Small C&I	< 100,000	>14,200	~24%
Medium C&I	>100,000 and < 1,000,000	~1500	~50%
Large C&I	> 1,000,000	<100	~26%