

THE OTHER GREEN

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Moderator: Marty Skolnick, Siemens Building Technologies, Inc.
Panelist: Karen Keeler, All American Investment Group (AAIG)
Panelist: Fran Long, Xcel Energy
Panelist: Marty Skolnick, Siemens Building Technologies, Inc.



Governor's
Energy Office



Performance Contracting Self Supported Debt

- A Triangular Partnership between the ESCO, Financing Company and Municipality.
- Debt Service is 100% Covered by Annual Project Savings from a Qualified Energy Services Company
- Additional Savings can be Applied to New Capital Projects or Capital Costs
- Intent is that the Project is Budget Neutral to the Municipality



Combining Financial Resources to Support Performance Contracts

- Effective Application of Utility Incentives
- Combining Bond Proceeds and Lease Purchase Arrangements on Capital Projects
- Combining Available Capital with Lease Purchase Arrangement



Tax-Exempt Lease Purchase Agreement

FLEXIBLE Repayment Terms to Fully Capture Guaranteed Annual Savings- utilized on over 95% of all Colorado municipal energy performance contracts since 2000.

Tax Exempt Lease = Installment Purchase Contract

Prepayment is Allowed at Any Time

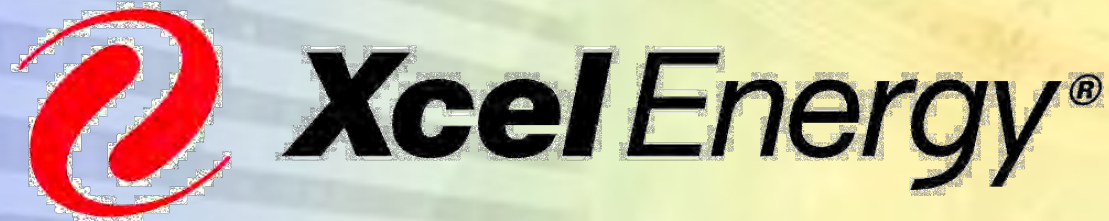
Not Considered Debt – Subject to Annual Appropriation of Funds

No Voter Approval or Public Notice Requirements = No Time Delay

No Closing Costs

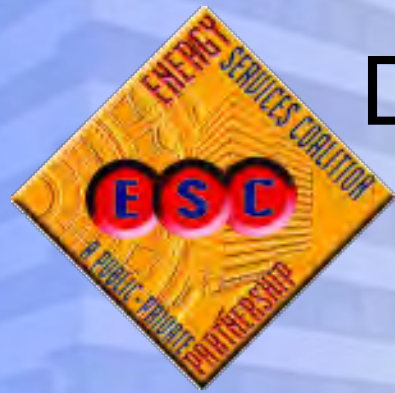
Lower Tax Exempt Interest Rates

No Initial Capital Outlay



Energy Efficiency Programs

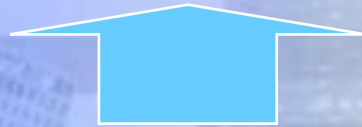
Presented by: Fran Long, Xcel Energy



Driver: Colorado's Energy Needs

In the last decade:

Up 15%



Number of
Customers

Up 19%



Electric Use per
Customer

Up 57%



Peak Demand

Xcel Energy must meet customer's needs

- ▣ Manage **SUPPLY** by obtaining more power
- ▣ Manage **DEMAND** by reducing customer's usage



Xcel Energy's Environmental Leadership

- Number 1 wind power provider - Windsource®
 - Largest green-pricing program in USA
- Industry leading energy efficiency programs
- One of largest photovoltaic systems 8.2 megawatts
- Solar*Rewards – 1,000 customers, 9 megawatts
- Voluntary emissions reductions
- Member of





Xcel Energy – Reduce DEMAND

Xcel Energy - Efficiency programs

- » Double capacity to 694 MW
- » Triple annual energy sales reductions to 2,350 GWh

How Xcel Energy Helps

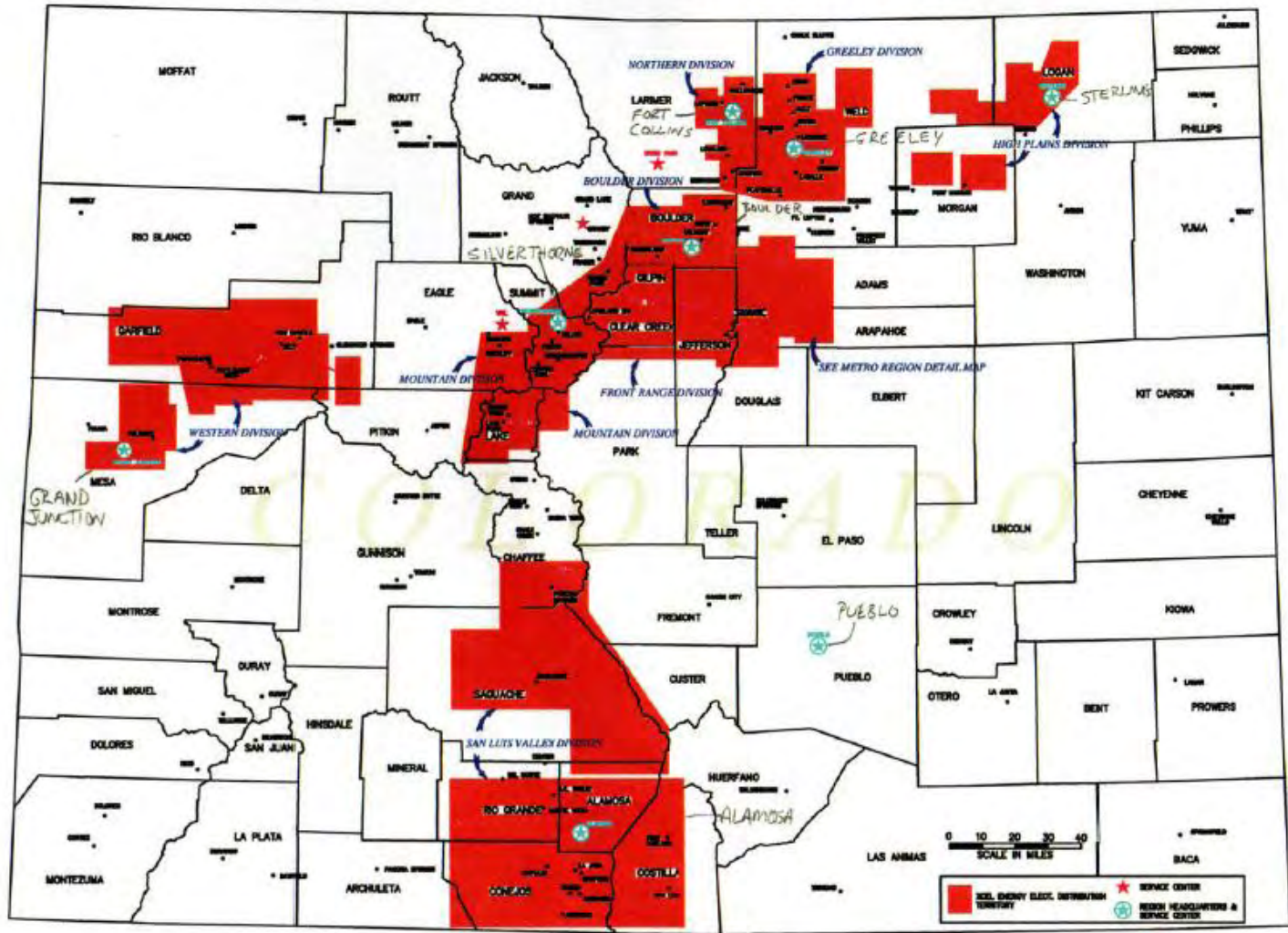
- Provides incentive to adopt energy efficient technologies
- Xcel Energy brand name and neutral 3rd party endorsement
- Helps reduce our carbon footprint



Results: energy savings and quicker paybacks for the customer



2002 XCEL ENERGY ELECTRIC SERVICE AREAS



Cash rebates up to 50% of the project cost in Xcel Energy service territory



Energy Efficiency Program Descriptions



Xcel Energy Offers Three Types of Programs

- Prescriptive programs
- Non-prescriptive programs
- Studies/Audits



Xcel Energy Prescriptive Programs

Prescriptive Programs

Predetermined rebate
Amounts and related savings
for various energy saving
technologies

- **No pre-approval required**
- Qualifying technologies are listed on the rebate applications

Included Programs:

- Lighting
- Cooling
- Motors
- Variable Frequency Drives



Xcel Energy Non-prescriptive Programs

Non-prescriptive Rebates

For equipment and conservation efforts not covered with the prescriptive programs

- **Pre-approval required**
- Rebate amounts and energy savings may vary greatly by project

Included Programs:

- Custom Efficiency
- Energy Management Systems
- Energy Design Assistance



Xcel Energy Studies/Audits

Studies/Audits

Xcel Energy funds a portion of a study, which may lead to identifying energy saving opportunities

- **Pre-approval required**
- Additional rebate opportunities can be realized by submitting a prescriptive or custom rebate application

Included Programs:

- Compressed Air
- Energy Analysis
- Lighting Redesign
- Recommissioning
- Refrigeration recommissioning



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Xcel Energy rebates: www.xcelenergy.com/rebates



“The Other Green”

Grant Potential



Colorado Department of Education

Capital Construction and Renovation Grants
Potential impact of “BEST” legislation

<http://www.cde.state.co.us>



Department of Local Affairs

Energy and Mineral Impact Assistance Grant

3 times per year cycle

Potential for increase of maximum award to \$2M

<http://www.dola.colorado.gov>



Strategic Environmental Project Pipeline (StEPP)

Non-profit dedicated to matching project with funding

<http://www.steppfoundation.org>



United States Department of Agriculture

Rural Development Grants and Loans

<http://www.rurdev.usda.gov>



Governor's Energy Office

Renewables in Performance Contracting Grants
\$25,000 grant per renewable technology

<http://www.colorado.gov/energy>



U.S. Department of Energy

Numerous renewable and efficiency grants

<http://www.eere.energy.gov>



Governor's
Energy Office

Questions & Answers