

The Energy Optimizer Program

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What I will cover today

- *An overview of the Energy Optimizer Program*
- *An update on our progress*
- *A summary of what's working and what's not*

The Energy Optimizer program

- Type of Program: Demand Response
- Target Audience: Residential and Small Commercial
- Technology: Honeywell Programmable Thermostat with Cannon Communications
- Goal: 14.4 MW in 3 years
- Approved: 10/14/05 in MO; 1/1/06 in KS



Thermostat vs Switch

- Focus group – 50/50
- Survey – 67% thermostat
- 25% of 67% already had digital thermostat
- More cost effective than switch long term
- Platform for CCP
- Platform for partnership



Allows for:

- Cycling
- Ramping
- Pre-cooling

High Level Process

- Contractor and KCP&L markets program
- Intake/qualification
- Site visit scheduled
- Re-Qualification/contract signed
- Installation/Preferences
- Online set-up
- Customer satisfaction

Technicians Performed Work Satisfactorily



Promotions

- Promotions include:
 - direct mail campaigns
 - bill inserts
 - bill messages
 - trade shows
- We have also had TV news and talk show coverage and radio talk show coverage



KCP&L Booth on Energy Efficiency at Kansas City Home and Garden Show

Progress to Date

As of 8/19/06	Total	MO	MO%
Active Installations	6,482	3,744	57.8%
Single Family	6,234	3,568	57.2%
Multi Family	480	330	68.7%
Small Commercial	65	32	49.2%
Estimated MWs	7.98	4.49	58.0%

As of 7/30/06, we have spent 70% of our 3 year spend and achieved 62% of our 3 year goal.

What's Working, What's Not

- What's working
 - Overall, customers are satisfied with installations
 - Market acceptance
 - Program recognition
 - Third-party turnkey relationship
- What's not
 - Thermostat designation of “Saving” when ramping
 - Some thermostat malfunctions
 - “Free Thermostat” overshadows intent of program
 - Unexpected need for ongoing communication/re-education
 - Program participant segmentation/demographics

MPower – 3 levels to meet customer needs

- Annual and per event incentive
- Minimum curtailable load - 200 kw
- Maximum hours of curtailment per day – 8 hours
- Maximum curtailment hours - 120 hours
- Curtailment hours – noon to 10 PM
- Opt-out per season – 1
- Economic and operational curtailment
- Can buy through on economic
- Penalty \$1.25/kWh

Contract Term	1-year	3-year	5-year
Curtailment Season	May-Sep	May-Sep	Jan-Dec
Max # of curtailments	25	25	30
Hours of Notice	4	2	1

Price Response Programs

- TOU pilot for residential
- RTP for commercial and industrial
- Very little participation
- KCP&L is interested in looking into Critical Peak Pricing and other similar programs
- Need to look at demand and price response program portfolio



Thank you for your attention.

Questions?