

Energy Smart Industrial

Fact Sheet

January 2010

Overview

Public utilities in the Pacific Northwest serve more than 2,000 megawatts of industrial load, and BPA has a long history of supporting and advancing energy efficiency in the region.

BPA recently launched the Energy Smart Industrial (ESI) program to assist BPA utility customers and their industrial facility customers in increasing cost-effective energy efficiency savings. The program is a primary mechanism for BPA utility customers to achieve industrial load energy savings targets of 12 aMW in fiscal year 2010 and 15 aMW in fiscal year 2011 as found in the Sixth Power Plan, nearly double the energy savings that were achieved in the previous two years. The ESI program encompasses all BPA offered industrial sector programs moving forward.

The ESI program is designed to provide regional consistency for BPA utility customers and end users in delivering cost-effective energy efficiency savings in the industrial sector, and encompasses all BPA offered industrial sector programs. BPA industrial sector staff provides overall ESI program management. There are dedicated BPA engineers and staff to manage industrial project technical reviews, approvals and TSP consultant contracting. BPA program partner Cascade Energy Engineering and its subcontractors, Evergreen Consulting and Strategic Energy Group, work with BPA and utilities to complement a variety of industrial services. These services include project development, marketing and implementation of industrial sector energy efficiency acquisition.

The ESI program works with industrial facility customers through their local public utility to deliver cost-effective energy efficiency in all industrial sectors. There are a wide variety of program options for industrial users of all sizes and budget levels. By participating, businesses in the industrial sector can save money and energy, and may increase productivity and profitability.

The ESI program staff include experts specific to several industries, including pulp and paper, wood products, food processing, high tech, data centers and many more. These professionals provide technical expertise and resources to assure projects meet quality assurance standards and are completed as planned. Not only that, ESI program staff work with industrial customers to develop a customized solution that protect their privacy and minimizes the impact to production process while delivering the highest return on investment possible.

Timeline

The ESI program takes effect from Oct. 1, 2009 through Sept. 30, 2011, with subsequent program renewal to be considered thereafter.

Reimbursements

On October 1, 2009 BPA utility reimbursement levels for ESI program custom project proposals for *retrofit* projects increased to \$.25/kwh for qualifying energy efficiency measures. As of April 1, 2010, the reimbursement level for *new* projects will be \$.25/kwh for qualifying measures to provide program consistency.

ESI Program Components

- ◆ **Energy Smart Industrial Partner (ESIP):** An ESIP is an industrial energy efficiency expert assigned by the ESI program to provide utility efficiency program staff with a single point of contact for coordinating ESI programs and resources to meet the goals and needs of their conservation program. In addition to providing technical expertise and other assistance to utility staff, the ESIP assists in representing the ESI program to utility end users (when requested), and facilitates the development and implementation of ESI program projects. ESIPs are provided, assigned and managed by the ESI program. Utilities continue to be the face of industrial energy efficiency to their end users and will define the “rules of engagement” for ESIP interaction with utility end users.
- ◆ **Energy Management:** Energy Management is a pilot component of the ESI program that addresses the opportunities to acquire energy savings through improved operations and maintenance (O&M) and management practices. There are three core features of Energy Management:
 1. **Energy Project Manager co-funding** – The goal of Energy Project Manager co-funding is to increase end user management and engineering efforts devoted to electrical energy projects/activities and increase the number of projects entering the ESI program. The participating end user sets its own annual verifiable energy savings goal and receives co-funding proportionate to that goal (subject to minimum and maximum co-funding levels). If the end user meets its own self-set and verified goals on schedule, co-funding continues. If milestones are missed, co-funding is suspended and ultimately ended.
 2. **Track & Tune Projects** – Track & Tune is designed to financially and technically help the end user “do the little things well” while putting a system in place that allows the program and end user to track energy performance and savings over a multi-year horizon. Track & Tune centers on O&M savings, not on large capital projects. To achieve solid savings on industrial projects, Track & Tune continuously tracks the performance of the area of focus (whole facility, system or process). This tracking establishes the baseline, shows the effect of the initial tune-up effort and tracks the performance over the long haul. This methodology transforms industrial O&M savings into a reliable, long-term source of savings.
 3. **High Performance Energy Management** – High Performance Energy Management provides training and support to end users on how to implement energy management in to their core business practices. High Performance Energy Management is the application of the principles and practices of continuous improvement to energy management within an end user’s organization.
- ◆ **Small Industrial Measures:** The Small Industrial component provides a cost-effective mechanism to handle specific efficiency measures where the energy savings on individual projects are small relative to typical industrial projects. This allows the ESI program to target small scale industrial facilities and small systems that are historically underserved by traditional industrial efficiency programs. Currently, small compressed air (<75 hp) measures are included in Small Industrial. Additional technologies (e.g., refrigeration, variable frequency drives, etc.) may be added in the future.
- ◆ **Enhanced Lighting:** Enhanced Lighting can be considered an extension of the existing Northwest Lighting Trade Ally Network to drive more industrial lighting projects. Industrial lighting experts, Lighting Key Account Manager (KAMs) are assigned to participating utilities to assist in these efforts.
- ◆ **Enhanced TSP:** Expansion and enhancement of traditional TSP services, including quick-response time and materials work, and BPA funding of scoping, measurement and verification activities where appropriate.