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EXECUTIVE SUMMARY

Waverly Light & Power

Comprehensive Municipal DSM

Waverly Light and Power is an inspiring model of what a small, municipal utility can do to promote local economic and sustainable development through investments in energy efficiency and renewable energy resources. While energy efficiency advocates have enthusiastically pointed to Osage, Iowa as the consummate example of a small town's successful experience with energy efficiency, Waverly, Iowa stands prominently at the front of the second generation of small municipal utilities that have embodied integrated resource planning and the promotion of customer energy efficiency, also with marked success.

Waverly's most compelling reason to do long term, integrated resource planning was not so unique: Its future resource mix is uncertain since its favorable power contract with Midwest Power Systems expires in 1999. But a series of less usual events transpired in Waverly that led to this small town's unique success. Two of its Board members became inspired by Osage's positive experiences with energy efficiency and local economic development. Not only had Osage deferred the need for additional capacity, but its efficiency programs have clearly benefitted the local economy with rate reductions and the expansion of a major manufacturing plant in town, meaning more jobs. (See The Results Center Profile #5) Waverly's leaders wondered if the same results might be possible in their town.

To pursue its vision the Board hired an energy efficiency advocate by the name of Glenn Cannon to become WL&P's General Manager. Despite his inexperience at the helm of a utility, he was selected to chart its new course. Cannon in turn commissioned the company's first integrated resource plan, a plan that helped the utility further explore and envision its future balance of supply and demand-side resources. The plan also mapped a cost effective strategy for customer energy efficiency programs and provided the economic rationale for investments in renewable energy resources, notably wind.

Today, Waverly offers a comprehensive set of residential, commercial, and industrial efficiency programs for its customers which have been well received and which have provided a new course for the utility. Its Board and management have embodied their notion of "the obligation to con-serve." Clearly Waverly Light and Power has been challenged by its own size, and limited staff and resources to implement its DSM programs, but its staff have been able to clearly benefit from the small size of the town and the fact that word travels fast in Waverly. As such, raising awareness of the potentials for efficiency has been relatively easy, and total expenditures on direct incentives have been a fraction of the overall DSM budget, proving that effective communication and education can motivate customers in the absence of large incentives, perhaps especially in small towns with publicly owned utilities.

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The Results Center Profiles: www.ecomotion.us/results

WAVERLY LIGHT AND POWER Comprehensive Municipal DSM

Sector: Residential, Commercial,

Industrial

Measures: A wide spectrum of efficiency

improvements from

weatherization and equipment sizing for thermal performance of Good Cents homes, to high efficiency lighting, motors, appliances, and HVAC

equipment

Mechanism: Utility bill discounts and low

interest home loans for Good Cents homes, rebates for high efficiency motors, lights, and HVAC; "Waverly Dollars" for

efficient appliances

First IRP in entire state in 1992. History:

> Aggresive DSM, driven by increased load growth, began

immediately.

1993 PROGRAM DATA

Energy savings: 175 MWh Lifecycle energy savings: 2,625 MWh

Capacity savings: 69.9 kW

Cost: \$127,848

CUMULATIVE DATA (1992-1993)

Energy savings: 265 MWh Lifecycle energy savings: 3,974 MWh

Capacity savings:

106.2 KW

Cost: \$265,326

The Results Center produced 126 profiles of the most successful energy efficiency and renewable energy programs in the United States and around the world in the early and mid 1990s. With the support of the John D. and Catherine T. MacArthur Foundation, Ted Flanigan directed a research team at Colorado-based IRT Environment to produce and distribute these exceptional examples. Thanks to strong demand for solid case studies, The Results Center was supported by dozens of major utilities and energy associations worldwide. Today, The Results Center is managed again by Ted Flanigan, now at California-based EcoMotion Incorporated, a firm focused on strategic consulting, information dissemination, program design, outreach services, and aggressive implementation. To nominate highly successful programs, contact: The Results Center, c/o EcoMotion, 15375 Barranca Parkway, F-104, Irvine, CA 92618, (949) 450-7155, or TFlanigan@EcoMotion.us