

MidAmerican Energy Company

EnergyAdvantage® Efficiency Bid®
Program Update

2012 (Cycles 12A, 12B, 12C, 12D)

www.midamericanenergy.com/iowa_ebid



Bid Cycle Details

- RFP Issue Dates/ Bid Due Dates:
 - Cycle 12A: Dec 30, 2011 / Mar 1, 2012
 - Cycle 12B: Mar 30, 2012 / May 31, 2012
 - Cycle 12C: Jun 29, 2012 / Aug 30, 2012
 - Cycle 12D: Oct 1, 2012 / Nov 30, 2012
- Incentive pool per cycle - \$250,000

Results: Bid Cycles to Date

Project	Requested Incentive	kWh Savings	Therm Savings
Heat trace control	\$8,500	541,092	
Compressed air	\$70,284	2,000,000	
Cooling Tower Fan VFD	\$130,876	1,656,660	
Evaporator Optimization	\$29,716	495,261	
Energy Efficient Water Treatment	\$130,083	1,227,197	
Transformers, Motors, Drives	\$89,425	2,263,936	
Fan VFD	\$14,688	244,801	
Refrigeration Compressor VFD	\$61,300	1,226,000	
Injection molding barrel blankets	\$28,426	812,160	
Product Conveying	\$13,324	333,099	
EMS for refrigeration system	\$67,000	1,456,167	
Pump bypass	\$18,000	732,280	



Results: Bid Cycles to Date (continued)

Project	Requested Incentive	kWh Savings	Therm Savings
Exhaust fan	\$4,000	384,480	
Rotary drum thickeners	\$28,134	548,045	
Power quality improvement	\$13,445	336,125	
Compressed air	\$79,523	1,622,924	
Hammer mill replacement	\$60,000	1,000,000	
VSD	\$26,000	538,000	
Compressed air	\$73,709	1,228,476	
Ventilation Control	\$15,016	375,400	
Refrigeration Compressor VFD	\$74,858	979,000	
Compressed air	\$22,000	200,000	
Pump/Fan VFD Control	\$122,534	1,236,000	
HVAC, Refrigeration & Lighting	\$11,466	254,800	



Why Efficiency Bid?

- The Efficiency Bid program allows *customers* to request the exact incentive they need to implement an energy efficiency project.
- The customer acquires those funds through a competitive bidding process.
- Customers prepare a bid, in response to an RFP, in which they propose to save a specified quantity of energy in exchange for a specified incentive.



How are bids selected?

- MidAmerican Energy evaluates all the bids, then funds those that meet the cost-effectiveness criteria until all incentive funds for the bid cycle are exhausted.
- The maximum incentive awarded to a successful bidder is not limited and may include up to 100 percent of the available incentive pool for that bid cycle.



Bid Ceiling Price

- MidAmerican Energy will establish maximum \$/kWh and \$/therm guidelines.
- The evaluation will favor projects that have more cost-effective bid prices.
- Ceilings are \$0.11/kWh and \$1.00/therm.



Eligibility Requirements

- Industrial customers with >1 MW demand or who purchase retail gas from MidAmerican Energy.
- Measures must produce a measurable and verifiable reduction in demand and/or energy consumption.
- Measures must produce savings through an increase in energy efficiency.
- Measures must have a minimum useful life of 10 years.



What makes a good project?

Most types of energy-savings technologies are eligible, such as:

- Motor/variable-speed drive systems
- Compressed air system upgrades
- Chiller and refrigeration upgrades
- Process improvements
- Lighting upgrades



Ineligible Measures

- Measures that rely solely on changes in customer behavior and require no capital investment
- Measures that merely terminate existing processes, facilities or operations
- Measures that reduce plug loads



How are bids solicited?

- Periodically, MidAmerican Energy will announce it is requesting proposals (or bids) for the Efficiency Bid program by issuing a Request For Proposal (RFP).
- The RFP is the official beginning of each bid cycle.



Bid Cycle Deadlines

The deadlines for a bid cycle are:

- RFP issue date
- Bid due date
- Bid award date
- Commence implementation date
- Complete implementation date

Bid Cycles

Bid Cycle	RFP Issue Date	Bid Due Date	Bid Award Date	Commence Implementation	Complete Implementation
12A	December 30, 2011	March 1, 2012	April 30, 2012	May 1, 2013	May 1, 2014
12B	March 30, 2012	May 31, 2012	July 30, 2012	July 31, 2013	July 31, 2014
12C	June 29, 2012	August 30, 2012	October 31, 2012	October 31, 2013	October 31, 2014
12D	October 1, 2012	November 30, 2012	February 1, 2013	February 3, 2014	February 3, 2015
13A	December 31, 2012	March 1, 2013	April 30, 2013	May 1, 2014	May 1, 2015
13B	April 1, 2013	May 31, 2013	August 1, 2013	August 1, 2014	July 31, 2015
13C	July 1, 2013	August 30, 2013	November 1, 2013	October 31, 2014	November 2, 2015
13D	October 1, 2013	December 2, 2013	January 31, 2014	February 2, 2015	February 1, 2016



How do you submit a bid?

- When an RFP has been issued, the sponsor completes a bid application form.
- Application, complete program rules and guidelines are available from the MidAmerican Energy website.
- The signed bid proposal form must be submitted by the “Bid Due Date” to the program contractor (Nexant, Inc.).



Bid Proposal

Customer submits a bid proposal, detailing:

- The project
- How much energy it saves
- The amount of incentive dollars required to implement the project
- Any data that will assist us in technically evaluating the bid



Bid Award Notification

- All bidders are notified in writing of the outcome of their bids no later than the published bid notification date.
- Successful bidders will be given instructions and next steps.
- Unsuccessful bidders will be given feedback to possibly strengthen their bids for the next bid cycle.



Standard Program Agreement

- Successful bidders will be required to sign a standard program agreement prior to implementing measures.
- Agreement details the contractual arrangement between MidAmerican Energy and the sponsor.
- Only one agreement is required per sponsor. All subsequent bids submitted will be listed as attachments to the agreement.



Measurement and Verification

- All projects will be subject to verification of savings.
- Final project incentive payments will be adjusted to reflect verified savings.
- Pre- and post-installation inspections will be required to establish energy consumption baselines.



Incentive Payments

- Incentives will be paid to successful bidders in two payments.
 - *Installation payment* equals 50 percent of the eligible incentive and is paid upon project installation.
 - *Performance payment* is based upon the energy-saving performance of the project and is paid upon completion of the project M&V. This payment can be as much as 125 percent of the original requested incentive.
- Care should be taken when estimating savings for a bid since the final incentive will be based on the verified energy savings, not the submitted energy savings.



Efficiency Bid Contacts

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