

*Commercial/Industrial Lighting  
Honorable Mention*

**Lighting Efficiency  
Xcel Energy**

**PROGRAM BACKGROUND**

Lighting Efficiency was launched in 1985 and has been one of the top DSM performers in Xcel Energy’s portfolio of conservation programs in its Minnesota service territory. Xcel Energy provides rebates to customers who purchase and install qualifying lighting equipment. In addition to rebates, Xcel Energy provides low interest financing. Xcel Energy also works as the energy expert for customers. Xcel Energy has a group of account managers assigned to specific customers as well as a Business Solutions Center with phone reps who can help answer any conservation questions customers have.

<b>Lighting Retrofit</b>	<b>Rebate Levels</b>
Fluorescent T8 lamps with electronic ballasts	\$9.00 - \$15.00
Fluorescent T5 lamps with electronic ballasts	\$10.00 - \$16.00
Compact fluorescent fixtures	\$4.00 - \$12.00
Industrial multi-CFL fixture	\$25.00
Metal halide & high-pressure sodium fixtures (without 2-level switching)	\$17.00 - \$45.00
Metal halide & high-pressure sodium fixtures (with 2-level switching)	\$30.00 - \$65.00
Pulse-start metal halide fixtures (without 2-level switching)	\$45.00 - \$65.00
Pulse-start metal halide fixtures (with 2-level switching)	\$60.00 - \$85.00
Reflectors	\$0.50/sq. ft.
Occupancy sensors and photocells	\$12.00 - \$36.00
LED exit sign	\$6.00
LED pedestrian signals (walk/don’t walk)	\$25.00 - \$40.00
LED traffic signals	\$15.00 - \$65.00

<b>New Construction Lighting</b>	<b>Rebate Without Auto Controls</b>	<b>Rebate With Auto Controls</b>
Fluorescent T8 lamps with electronic ballasts	\$1.75 - \$2.25	\$2.25 - \$3.00
Fluorescent T5 lamps with electronic ballasts	\$2.00 - \$2.50	\$2.50 - \$3.25
Compact fluorescent lamps/fixtures	\$1.00 - \$1.75	\$1.25 - \$2.25
Industrial multi-CFL fixture	\$8.00	\$9.00
Metal halide & high-pressure sodium	\$6.00 - \$10.00	\$7.75 - \$13.00
Pulse-start metal halide fixtures	\$8.00 - \$12.00	\$9.75 - \$15.00

If a project does not fit within Xcel Energy’s set of prescriptive lighting rebate measures, but does save energy, it can be considered under the Custom Efficiency Lighting program. This

program takes a look at projects on an individual basis and if it passes certain cost/benefit tests, the customer can receive a rebate of up to \$200/kW saved.

The program is structured so that customers follow these steps:

- Customer or vendor installs qualifying lighting equipment at facility.
- Customer, vendor, or Xcel Energy account manager fills out the rebate application form.
- For retrofit projects, the form requires customer or vendor to provide detailed information about existing lighting that is being replaced.
- Customer must sign the form stating that the information submitted is accurate.
- Proof of purchase (detailed invoice) must be submitted with application.
- Customer must apply for a rebate within one year of the purchase date shown on the equipment invoice.
- Xcel Energy conducts random spot checks to keep program participants honest.
- Customer receives rebate check in six to eight weeks.

The objectives of the program are to:

Lower the overall cost of purchasing higher-efficiency equipment.

- Decrease customers' payback time.
- Reduce customers' energy costs.
- Strengthen customer relationships.
- Comply with regulatory mandates.
- Reduce the need to build new power plants, which benefits the environment.

## **PROGRAM PERFORMANCE**

The key to the success of this program lies mainly in Xcel Energy's internal account management team, vendors, and annual promotions.

Xcel Energy has a core group of knowledgeable account managers that work with its large C&I customers. Due to the strong relationships with their customers, these proactive account managers are very successful in selling the Lighting Efficiency program

Xcel Energy also maintains strong relationships with lighting vendors. The company makes sure to provide them with updated program information and literature through direct mailings, face-to-face meetings, seminars, trade shows, and newsletters.

The last major key to success of this program has been Xcel Energy's annual promotions. Over the last few years, Xcel Energy has offered customers an additional incentive to retrofit their existing T12 systems to T8 or T5 systems. This has worked extremely well and Xcel Energy has a 70 percent saturation level for remaining T12 systems.

## **LESSONS LEARNED**

The two major lessons that Xcel Energy has learned are: (1) that the small business customer needs a more hands on approach; and (2) that its sales channels (internal account managers and outside vendors) are a huge key to its success.

Xcel Energy plans to continue to provide customers with lighting rebates, training, and energy knowledge and to continue to leverage its vendor relationships.

## PROGRAM AT A GLANCE

**Program Name:** Xcel Energy Lighting Efficiency

- URL: [http://www.xcelenergy.com/XLWEB/CDA/0,2795,1-1-4\\_759\\_1247-779-5\\_406\\_669-0,00.html](http://www.xcelenergy.com/XLWEB/CDA/0,2795,1-1-4_759_1247-779-5_406_669-0,00.html)

**Program Start Date:** 1985

### Program Participants to Date (Annual Totals)

2001: 1395

2002: 1149

2003: 840 (goal)

**Eligible Population or Customer Segment:** All Xcel Energy business customers located in the Minnesota service territory

**Participation Rate:** NA

### Annual Energy Savings Achieved

2001: 88,452,000 kWh

2002: 66,785,000 kWh

2003: 49,054,192 (goal)

### Peak Demand (Summer) Savings Achieved

2001: 20,022 kW

2002: 14,681 kW

2003: 9,669 kW (goal)

**Budget:** Total budget (includes project delivery, utility administration, marketing, evaluation and rebate incentives):

2001: \$5,382,907

2002: \$3,335,999

2003: \$3,463,439 (budget)

**Funding Source:** Xcel Energy is mandated to spend 2% of its Gross Electric Operating Revenue on electric DSM programs. Customers in its Minnesota service territory are charged a CIP (Conservation Improvement Program) cost on their bill.

### Best Person to Contact for Information about the Program

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