Impacts of Alliant Energy's Proposed Energy Efficiency Plan

Background

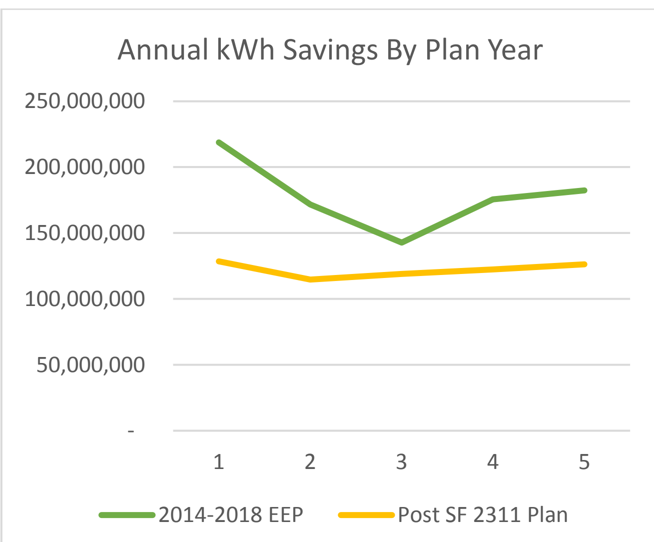
Alliant filed a revised 2019-2023 energy efficiency plan in July 2018. The revised plan follows passage of Senate File 2311, which gutted Iowa's energy efficiency policies. Alliant had already filed a 2019-2023 efficiency plan in February 2018 that was a step backwards on efficiency savings levels, budgets, and program design. However, it is clear that SF 2311 had a major impact, forcing Alliant to make even deeper cuts, especially in their gas program.

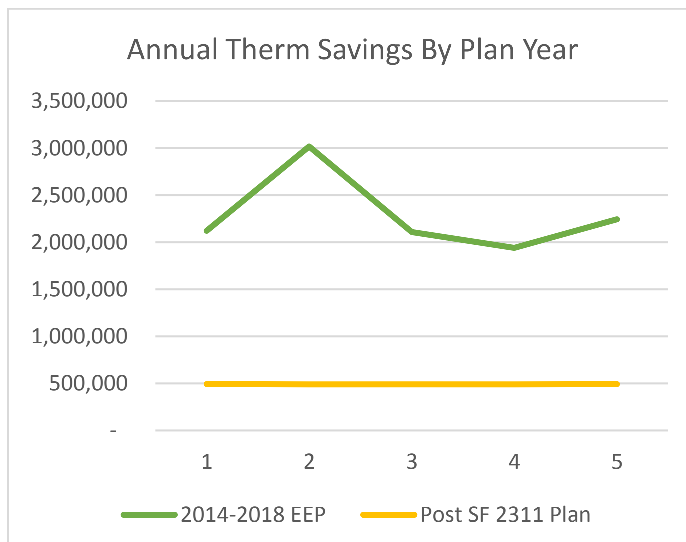
Every therm and kWh that is wasted must be generated or purchased by the utility at a cost that is higher than what it would have been to save that energy in the first place. With these types of drastic cuts to efficiency, we can expect sales of natural gas and electricity to go up, energy bills to rise, and utilities to invest in more generation and infrastructure, passing the costs along to ratepayers.

The following graphs compare savings and budgets for the efficiency plan Alliant is currently implementing (for 2014-2018) against the 5-year plan filed in July that reflects the requirements of SF 2311.

Increasing Energy Waste

Energy Savings Are Dramatically Lower. Alliant's plan will achieve 25% less savings than their previous plan and natural gas savings **79% less**.





Impacts to Customers and Businesses

Budgets Are Also Significantly Lower. Alliant is proposing to spend 34% less than their previous 5-year plan on electric programs (including demand response) and 78% less on natural gas efficiency. Many programs have been eliminated and budgets will be greatly reduced for those that remain. That will mean lower incentive levels or even funds running out for programs before the end of the year. Cutting spending on these programs takes funds out of the hands of Iowa's local plumbing and electrical contractors, appliance manufacturers, and retailers and sends it instead to out-of-state fossil fuel companies as we pay to import more natural gas and coal-fired energy.

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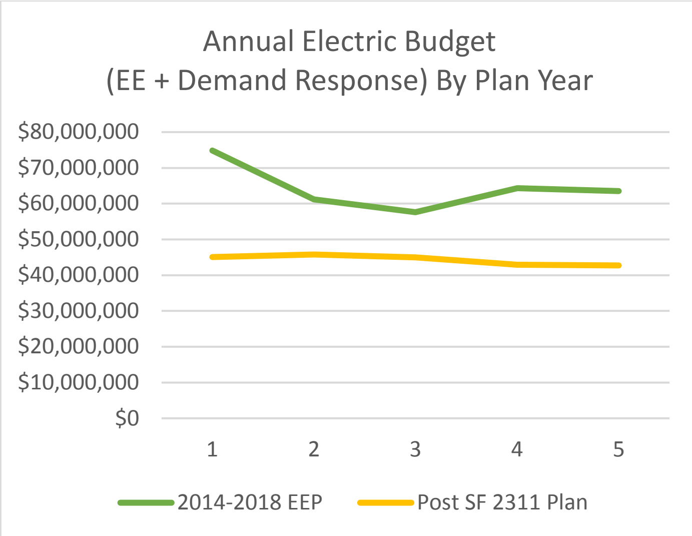

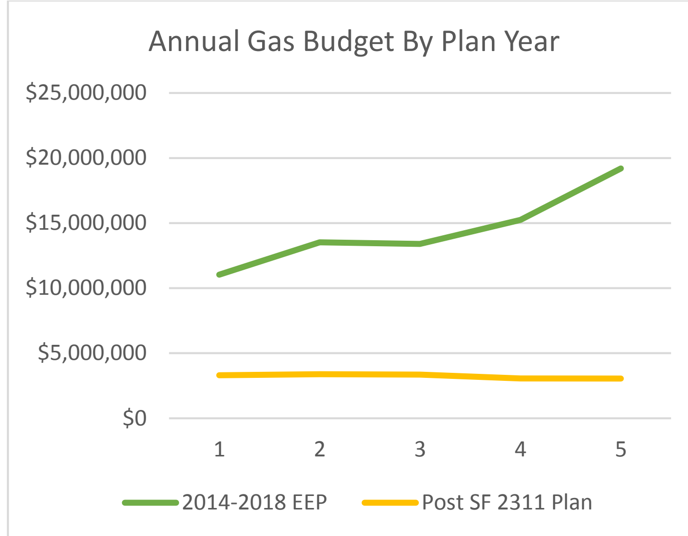

Major Changes in 2019-2023 Plan Proposal Compared to Current Plan

Alliant has proposed to eliminate many individual measures and entire programs in its proposal, including some of the most fundamental efficiency programs. Their proposed plan:

- **Eliminates in-person residential assessments/audits and likely some businesses assessments as well.** These are fundamental to having a solid energy saving plan and identifying savings for businesses and residents that lack energy expertise.
- Eliminates the free, direct install measures that are performed during residential assessments/audits (light bulbs, home sealing, smart power strip, etc.)
- **Eliminates insulation**, a key money- and energy-saver with Iowa's extreme seasonal temperature swings. (Some low-income insulation measures may be retained.)
- Eliminates many residential prescriptive measures, including whole house fans, natural gas water heaters, certain heat exchangers, and room air conditioners.
- Eliminates many measures in the non-residential prescriptive rebate program: building shell (insulation, infiltration), water heaters, kitchen/food service measures, and more.
- **Eliminates quality installation and HVAC System Adjustment and Verified Efficiency (SAVE) requirements** that ensure new heating and cooling systems are the right size and installed corrected for optimal efficiency.
- **Eliminates residential tree planting and cuts community tree planting program by 75%.**
- Eliminates the Home Energy Savers program that provides enhanced cost-share for low-income customers.
- **Eliminates multi-family housing** program (retains a low-income multifamily program only).
- Eliminates Energy Wise Kits distributed to low-income customers by community action agencies.
- Eliminates the residential new construction program.
- Cuts low-income weatherization funding **by about 40% from $3.2M to $2M per year**.