

Energy Efficiency Solutions Tailored For Your Community

 Smart Choice



EFFICIENCY\$MART®





Do you want to help your residents who are trying to lower their electric bills?

Are you interested in assisting your businesses reduce their operating costs and become more competitive?



Would your municipality benefit from reducing its capacity and transmission costs?



Efficiency smart can work with you and your customers to find solutions for each of these issues and many more.

Efficiency Smart is American Municipal Power, Inc. (AMP)'s member service for energy efficiency, and is administered under contract with VEIC. Efficiency Smart partners with AMP communities to help their residential and business customers use less energy and save money. Since 2011, it has served more than 60 of AMP's member utilities in Delaware, Michigan, Ohio, and Pennsylvania.

We offer a variety of cost-saving programs and services to meet the needs of YOUR community. There are many options available—from comprehensive services with performance guarantees to targeted choices that focus on delivering savings in specific market sectors. We can help you choose the program that best meets your community's desired goals and budget.

Efficiency Smart's proven model offers AMP's members access to professional energy efficiency services, tailored to your unique needs and executed at the local level. The Efficiency Smart team will work side-by-side with you and your community providing the expert technical assistance and financial incentives required to make your community's energy efficiency program a success.

Make the right choice to secure your community's energy future.

Make the SMART CHOICE.



**COMPREHENSIVE
SERVICES**



**TARGETED
OPTIONS**



**PROVEN
MODEL**





Why Should Your Community Choose Energy Efficiency?

Through participation in Efficiency Smart, AMP members recognize the short- and long-term impact of energy efficiency, the benefit it provides for your local economy, and the value it adds to your power supply portfolio.

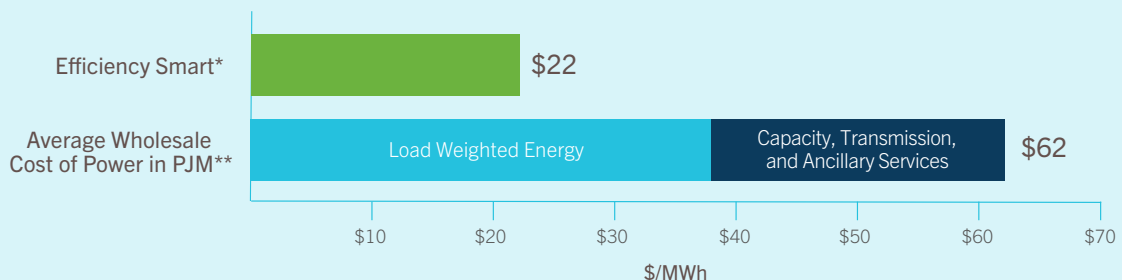


The benefits of energy efficiency are real:

- It's the lowest-cost option compared to new power supply
- It has the least risk of any power supply resource, reducing communities' exposure to market variability, financial impacts of potential regulations, and fluctuating transmission and capacity costs
- It aids in local job creation, supporting approximately 21 jobs for every one million dollars in related investments
- It reduces power bills for end-use consumers, possibly even when energy prices go up
- It helps local businesses control operating and maintenance costs
- It is a primary business retention and attraction tool
- It improves customers' perception of the utility and makes the municipal electric system more competitive with surrounding utilities
- It may be possible for AMP to sell electric demand savings to PJM's forward capacity market to generate additional revenues for your community

Levelized Cost of Electricity

PJM Market 2018



*Reflects 2018 Efficiency Smart program levelized cost.

**Source: 2018 State of the Market Report for PJM



Why Should Your Community Choose Efficiency Smart?

Since its inception, Efficiency Smart has functioned as the trusted energy efficiency advisor to its participating municipal electric utilities and their customers. For those communities that participated in Efficiency Smart over the past eight years, we lowered their net power costs and provided more than \$3 in benefits for every dollar spent.

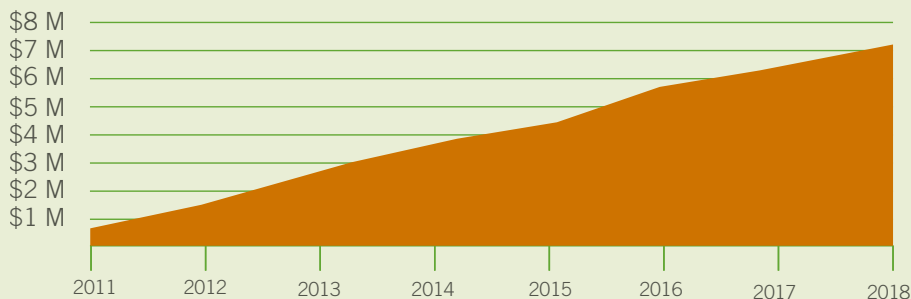


Investing in Efficiency Smart pays off:

- We offer a choice of several program and service options tailored to fit the needs and resources of your municipal electric system and your customers
- We provide turnkey services supported by an experienced staff with extensive technical expertise
- We employ a consultative approach that goes beyond simply offering rebates
- We develop partnerships with local organizations such as community action and economic development agencies
- We deliver community-based and customer-focused tactics
- We support a positive connection between the utility and its customers, driving customer engagement and goodwill
- We pride ourselves on independent, third-party evaluation, measurement, and verification of our performance-based savings claims
- We offer savings guaranteed at the municipal level for comprehensive program participants

Annual Electric Benefits, 2011 - 2018 Participants

Savings are cumulative by year based on the lifetime of the installed products



* Chart reflects the net present value of the annual benefits associated with avoided energy, capacity, and transmission costs due to the energy efficiency measures installed. Those communities that have participated in Efficiency Smart over the past full eight years are represented in the chart.

Your Ally in Energy Efficiency



- ✓ Expert technical assistance.
- ✓ Superior customer service.
- ✓ Third-party objectivity.

These are just a few of the advantages Efficiency Smart's team delivers to its participants.

Through turnkey program implementation, we take the challenge of navigating your community's energy efficiency efforts off your plate and into the hands of trusted professionals.

Our staff works hand-in-hand with municipal electric systems and their customers to identify, assess, and validate energy efficiency projects. We are knowledgeable about energy efficiency technologies and can provide guidance to residents, businesses, and municipalities to help you and your customers choose the products or projects that will have the greatest return on your energy efficiency investment.

In addition to regular interaction with participating utilities' customers, our staff works across the supply chain and within communities to build relationships with contractors, retailers, community agencies, and other key stakeholders. These partnerships help us to better engage with your community and leverage any additional energy efficiency opportunities available to your customers.

Efficiency Smart has a strong internal support system in place. This enables us to customize the design of programs and initiatives, track and report performance for each community, and promote



service offerings to residents and businesses. Our thorough approach allows you to decide how much time you dedicate to energy efficiency. We welcome and encourage your involvement in the process, but we also serve as an extension of your system.

“The City of Columbiana participates in Efficiency Smart because we see the value it provides to our residents and businesses. **Efficiency Smart’s technical services are priceless**, as it’s a great economic development tool for business attraction and retention, and it helps our capacity and energy portfolio by assisting the city in saving energy. The City of Columbiana has developed a tremendous amount of trust with Efficiency Smart’s staff. We know that they represent the city well.”

Lance Willard, City Manager, City of Columbiana, Ohio



“I work with a lot of different customers, from CFOs to maintenance managers. They all have different perspectives on energy efficiency and how it affects their job. **I enjoy helping them understand the benefits of energy efficiency and why it makes sense.** When I am able to explain a project to a customer well enough that it’s an easy decision and they are excited to move forward with it, I feel I am successful at my job.”

Tim Stearns, Senior Energy Consultant,
Efficiency Smart

“Information is power, and it’s never more apparent than when I am on the phone with a customer. **I love providing them with the information they need to make intelligent choices regarding energy efficiency.**”

Angie Mason, Customer Support Specialist,
Efficiency Smart

“I enjoy working with our customers to help them gain better control over their facilities through more in-depth looks into their operation. As the son of a small business owner, I know how tight finances can be for a business. **It’s rewarding to see how smart investments in the right products and technologies can strengthen a business.**”

Tom Coyle, Director of Account Management,
Efficiency Smart

It’s so rewarding to remove customers’ barriers to energy efficiency. **I feel like we are positively impacting the lives of people in our communities when we help them to find ways to reduce their electric bills**, particularly when we are working with those who struggle to pay for basic necessities.

Sean Clement, Director of Operations,
Efficiency Smart

Real stories...

Cultivating community partnerships

Fostering economic growth and development



Creating more sustainable communities



A local hardware store partnered with Efficiency Smart on a lighting markdown campaign to drive traffic to its store and to increase retail sales. Over the course of five days, the store **sold 528 discounted lightbulbs to an estimated 88 customers**. The hardware store is also reaping the benefits of efficient lighting after working with Efficiency Smart to upgrade its own lighting.

Delivering clarity and confidence in energy decisions

When expanding one of its supermarkets, a small grocery store chain enlisted the help of Efficiency Smart to minimize the store's energy consumption. Not only did the store complete efficient lighting and refrigeration projects that resulted in **more than 300,000 in projected annual kilowatt-hours (kWh) savings**, the projects also improved lighting quality and enable the store to capture waste heat for other uses.

One family replaced 10 incandescent lightbulbs with LEDs. They also upgraded their washer and dryer with more energy-efficient models. In addition to saving \$145 through Efficiency Smart rebates and a discounted lighting promotion, the family is also expected to **save \$1,580 in energy costs** over the lifetime of these products.

Guided by Efficiency Smart's engineering staff, a large manufacturer implemented five projects spanning refrigeration, HVAC, compressed air, and lighting technologies expected to save the company **more than \$1 million in lifetime energy costs**. One of the projects included a conveyor system control that Efficiency Smart recommended, which cost less than \$500, paid for itself in energy savings in less than one month, and reduced the system's energy use by more than 50 percent.

Over a five-year period, a small city worked with Efficiency Smart to replace its street lights and to upgrade the lighting and HVAC systems in its municipal buildings. These projects are **saving the community an estimated 137,700 kWh annually and more than \$166,900 over the lifetime of the upgraded products and equipment**. The city is also enjoying the benefit of better lit and safer streets and a more comfortable working environment for municipal employees.

A lighting contractor and a property management company **collaborated to leverage Efficiency Smart incentives to upgrade lighting in six multi-family establishments in one community**. In total, the property manager invested more than \$100,000 in lighting upgrades at the six facilities in addition to improving lighting quality and safety for building tenants.

Real perspectives...

Strengthening utilities' impact

"My wife and I bought a 1929 house with very, very old appliances. The incentives of the program have been making it possible for us to gradually replace the appliances we have with energy-efficient ones. Another aspect we like is the process of learning about energy efficiency along the way. THANK YOU THANK YOU THANK YOU!"

*Juan Bes,
Bowling Green*

"I am pleased to share our excitement over the recent energy conservation project we completed through Efficiency Smart. Amazingly, the savings achieved for the installation period and the first performance year more than doubled the projected energy and operational savings. Needless to say, we are very pleased with the first-year results."

*Kathleen S. Jenney,
Superintendent, Galion
City School District
(Galion)*

"The Village of Versailles made the choice to rejoin Efficiency Smart after hearing from customers how valuable its services are to them. Our community—including businesses, residents, and our local school district—has benefitted from Efficiency Smart. This program allows us to provide a necessary service to our community and we have received a tremendous positive response for reimplementing it."

*Rodd Hale, Village
Administrator, Village
of Versailles*

"Efficiency Smart is one of the best tools I have for economic development. Its staff is responsive, diligent, and works hard to save businesses in Bowling Green energy and money."

*Suzanne Clark,
Executive Director,
Bowling Green
Community
Development
Foundation*

Improving financial and social wellbeing



Removing barriers to energy efficiency



"We had plans to install a new refrigeration system with efficient compressors, fans, and LED lighting components during a remodeling project. The City put us in contact with Efficiency Smart, which took care of everything once the unit was installed, from coordinating with our contractor to gathering product information to ensure the highest rebate. The whole process went very smoothly."

*Dan Reeves, Manager,
Wadsworth Hometown
Market*

Building more reliable energy portfolios

"Dover's experience with Efficiency Smart has been very positive. Offering our large customers energy assessments with attainable goals that result in measurable savings on their electric bills has been a home run. Those customers who have followed through with Efficiency Smart's recommendations have seen immediate savings with relatively short payback periods. We look forward to our continued involvement with Efficiency Smart, not just for the City's benefit, but also as a tool for increasing our customers' bottom line."

*Mayor Richard P.
Homrighausen,
City of Dover*

Menu of Services

Efficiency Smart offers AMP members the choice of several energy efficiency program service options based on the needs and resources of their municipal electric system and their customers.

Comprehensive Program Options

Overview

- Serves all customer classes
- Services are bundled together for lower cost
- All goals guaranteed at 70%
- Independent, third-party evaluation, measurement, and verification of performance-based savings claims
- Savings from eligible projects can be bid into the PJM forward capacity market

		Performance Level	Cost	Requirements
Service Option	Enhanced Performance	0.5% annual load reduction 0.6% annual peak reduction	\$1.65 per MWh total annual retail sales	Greater than10 MW coincident peak
	High Performance > Energy Focus	0.5% annual load reduction 0.4% annual peak reduction	\$1.40 per MWh total annual retail sales	
	High Performance > Demand Focus	0.4% annual load reduction 0.6% annual peak reduction	\$1.40 per MWh total annual retail sales	Greater than10 MW coincident peak
	Basic Performance	0.25% annual load reduction	\$0.90 per MWh total annual retail sales	

* Communities that achieve greater than 125% in High Performance cannot select Basic Performance in subsequent contract

** Communities that achieve greater than 200% in Basic Performance must choose High Performance or Enhanced Performance for subsequent contract

Targeted Program Options

Overview

- Provides an option for communities that do not have the need or resources to offer a comprehensive energy efficiency program
- Allows a community to select which customer segments to serve
- Can be done on a standalone basis or paired with other options to serve more than one customer segment

		Performance Level	Cost	Requirements
Service Option	Commercial & Industrial (C&I)	0.5% annual C&I load reduction	\$1.30 per MWh C&I annual retail sales	Greater than 20,000 MWh annual C&I retail sales
	Residential Load Shaping with Smart Thermostats	More info coming soon...		





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