GEORGIA POWER COMPANY

ENERGY CONSERVATION AND DEMAND REDUCTION INITIATIVES

The Company filed the Application for the Certification of Amended Demand Side Management Programs on January 31, 2019. The amendments included updated program economics as well as some changes to existing programs. In addition, the Company has proposed three new programs: Residential Income-Qualified (Crowd-Funding), Residential Thermostat Demand Response, and Commercial Behavioral. The Company also proposes decertification of two programs: Residential EarthCents New Home and Residential HVAC Service.

The following programs and initiatives for which the Company is seeking approval will be conducted to encourage demand reduction and energy conservation and efficiency.

1. Residential Behavioral: The Residential Behavioral Program provides select customers Home Electric Reports (“HER”) via direct mail or email between one and five times a year. Each report is tailored to these customers by sharing a summary of their energy consumption in comparison with homes of a similar size within a certain mile radius. These reports provide energy-saving tips appropriate to each home, in addition to information on other residential Georgia Power energy efficiency programs.
2. Residential Home Energy Improvement Program: The Home Energy Improvement Program (“HEIP”) promotes energy efficiency improvements in existing homes and provides financial incentives for implementing eligible energy efficiency measures in homes. The program provides customers, remodelers, and property owners with multiple participation options, including a comprehensive, whole-house approach and an individual improvement option to appeal to a wide range of residential customers. In addition to the financial incentives offered, the program includes customer education and awareness campaigns, and contractor relationships and training.
3. Residential Power Credit Program: The Power Credit program is a residential load control program originally certified by the Georgia Public Service Commission in 1996 in Docket No. 6315, reauthorized in the 2001 IRP in Docket No. 13305, and reviewed and approved in every IRP since reauthorization. The Power Credit program allows the Company to cycle HVAC systems (air conditioners or heat pumps) during periods of high system loads and high energy costs during the summer season. HVAC load is shifted into off-peak periods that typically have lower demand and energy costs. In addition to the incentives offered, the program includes customer education and awareness campaigns. Currently, the program has approximately 48,000 participants. The Company is seeking to maintain and not grow this program.
4. Residential Refrigerator Recycling Program: The Residential Refrigerator Recycling Program aims to eliminate inefficient or extraneous refrigerators and freezers in an environmentally safe manner, and to produce cost-effective, long-term energy and peak demand savings in the residential sector. The program focuses on increasing customer awareness of the economic and environmental costs associated with running inefficient, older appliances in a household by providing eligible customers with free refrigerator and freezer pick-up services in addition to a cash incentive.
5. Residential Specialty Lighting Program: The Residential Specialty Lighting Program promotes the purchase and installation of energy-efficient lighting products by Georgia Power residential customers. The program focuses on increasing customer awareness of the benefits of energy-efficient lighting technologies for their home through customer education, retail partnerships, and sales staff training. The program focuses on a specialty-type LED mark-down campaign for participating retail partners that reduces the retail price for customers at the point of purchase, and the opportunity for customers to purchase discounted specialty LEDs through Georgia Power’s Marketplace website.
6. The Residential Thermostat Demand Response Program: The Residential Thermostat Demand Response program promotes energy efficiency improvements and shifting of electricity usage during peak demand periods. The program provides customers with either the installation of a free, bi-directional communicating smart thermostat, or provides financial incentives for customers with an existing smart thermostat that are willing to help reduce energy during periods of peak demand. This could include hot summer days, cold winter days, or whenever there is a system capacity need. Georgia Power can manage the load from participants’ heat pumps, by either adjusting thermostat settings or cycling compressor run times. Demand response programs, in general, help Georgia Power minimize the use of higher cost peaking plants during periods of high system loads. In addition to the incentives offered, the program includes customer education and awareness campaigns.
7. Residential Income-Qualified Tariff-Based Financing Pilot: The Income-Qualified Tariff-Based Financing Pilot promotes energy efficiency improvements in existing, income-qualified single-family homes, as well as multifamily properties. The 2020-2022 program will be offered as a non-certified pilot directly targeting income-qualified households that are historically under-represented in energy efficiency program participation. The Income-Qualified Tariff-Based Financing Program will be offered to up to two hundred (200) low income residential customers with the goal of saving 20% of their baseline household electric energy with an investment of up to $7,500 per household. The eligibility criteria for this program will be based on income qualification consistent with the current year’s federal guidelines for an income level of 200% of the federal annual poverty level.
8. Commercial Custom Program: The Commercial Custom Program (“Custom Program”) provides a platform for comprehensive energy efficiency projects in larger existing and new facilities that go beyond single measures and common, measure-level efficiency practices. The Custom Program provides incentives for efficiency improvements not included in other Georgia Power program offerings. All program incentives are based on the verified energy savings achieved for each project. The program does not define a specific list of eligible measures but bases participation on the verifiable energy savings resulting from the measures or system improvements implemented. Due to the complexity and variety of measures included, Georgia Power’s Commercial Custom Program typically requires more effort and precision in the calculation and verification of energy savings than the other Commercial programs.
9. Commercial Prescriptive Program: The Commercial Prescriptive Program (“Prescriptive Program”) promotes the purchase of eligible high-efficiency equipment installed at qualifying customer facilities. Rebates offered through this program serve to reduce the incremental cost to upgrade to high-efficiency equipment over standard efficiency options for Georgia Power’s commercial-class customers. The program includes equipment with easily calculated savings, provides straightforward and easy participation for customers, and allows for reduced EM&V costs.
10. Commercial Midstream Products Program: The Commercial Midstream Products Program promotes the installation of eligible high-efficiency HVAC and commercial food service equipment at qualifying Georgia Power commercial customer facilities. The program is focused on influencing distributors’ stocking practices as well as their promotion and sales of high efficiency HVAC and food service equipment.
11. Small Commercial Direct Install Program: The Small Commercial Direct Install (“SCDI”) Program promotes the installation of eligible high-efficiency equipment at qualifying customer facilities. A primary objective is to develop a process and capability that ensures that qualifying small commercial customers receive the assistance (informational or financial) they require to make cost-effective decisions to install energy-efficient measures.
12. Commercial Behavioral Program: The Commercial Behavioral program is designed to encourage customer engagement with facility energy management and energy efficiency in order to reduce energy consumption. The program provides customer-specific information that allows customers to compare their energy use for the month, and over the past year, to the consumption of a peer group of similar facilities and facilities that are considered energy-efficient. Participating customers receive a Business Electric Report (“BER”) electronically several times a year with a summary of their energy consumption data and consumption over the same time period by their peers. The reports also include seasonal and facility-appropriate energy savings tips, as well as information on energy efficiency programs.
13. Education Initiative: Since 2011, the Company has been delivering the Learning Power curriculum throughout the state of Georgia. The curriculum promotes an understanding of energy and energy efficiency from a grass roots perspective. Lessons have been developed for grades pre-K-12. The method of delivery is highly interactive and hands-on, with lessons delivered by skilled Georgia Power employees, known as Education Coordinators. Education Coordinators are dedicated to a geographic region of the state, with equitable distribution of students and schools among Education Coordinators. Since the launch of the program, the Company has delivered 24,258 programs to 631,516 students through December 2018.
14. Energy Efficiency Awareness Initiative: This initiative promotes the benefits of energy efficiency and educates customers about specific ways to save money and energy. The Company uses direct marketing channels to efficiently reach its customer base. Television, radio, print, internet, billboards, and direct mail are the primary channels used. The Company has developed a number of online tools to enhance customers’ learning about energy efficiency. Social media channels such as Facebook, Twitter and YouTube are also used to communicate with customers.
15. Pilot Studies: Georgia Power engages in pilot studies to better understand emerging energy efficiency options for the benefit of customers. Since 2016, Georgia Power launched six residential pilot programs (Connected Communities, Home Automation, Home Electric Review Behavioral, Multifamily Low-Income Smart Thermostats, Residential Bring Your Own Thermostat Demand Response, and Residential Water Heater Demand Response) and two commercial pilot programs (Small Business Behavioral and Indoor Agriculture). The successes and lessons learned from these pilot programs directly influenced the development of the Residential Thermostat Demand Response program and Small Commercial Behavioral programs, which are included in the Company’s 2019 IRP filing.
16. Demand Response Tariffs:

* Real Time Pricing - offers customers marginal pricing for incremental load; as prices increase, customers can respond by reducing their demand
* Demand Plus Energy Credit (“DPEC”) - an interruptible service tariff that provides commercial and industrial customers with a demand credit for the potential of demand reduction, plus an energy credit when DPEC is called
* Demand tariffs - align with the Company’s cost of service and encourage demand reduction
* Time of Use tariffs - provide customers with pricing signals during different periods of the day that reflect the marginal cost of the energy in the specific time period (peak and off-peak) and encourage customers to modify their usage accordingly