

Roanoke EMC's Upgrade to \$ave Program

funded by USDA / RUS'
Energy Efficiency Conservation
Loan Program

Strategy Map
2014 - 2018



Roanoke Electric Cooperative

Your Touchstone Energy® Cooperative

**Enhancing the Quality of Life in the
Diverse Communities We Serve**

improve our
members'
quality of
life

Cooperative Difference

High Reliability

Competitive Rates

Engaged and Active

ACSI Score of 90

that
enhance
value
and...

Goal of Low Cost

Reduce Controllable Costs

Subsidiaries 100% Self-Sustained

so they can
execute
strategies

Improve Reliability

Outage
Duration
< 120 Minutes

Outage
Frequency
<1.5 per
member

Leverage Technology

Cross
Functional
Competency

Abandoned
Call Rate
< 3%

Build Member Value

Deliver High
Impact
Services

Effectively
Communicate

to
engage our
team

Engaged Workforce

Empowered and
On-Track

100% REAP / ACRE
Participation

Health Assessments
up 25%

Top Tier Safety
Performance

Building on
our core
values

Core Values

Cutting
Edge

Teamwork

Competent

Trust-
worthy

Safety and
Wellness

Adaptable

Friendly

Members
First

[#thecall2018](#)

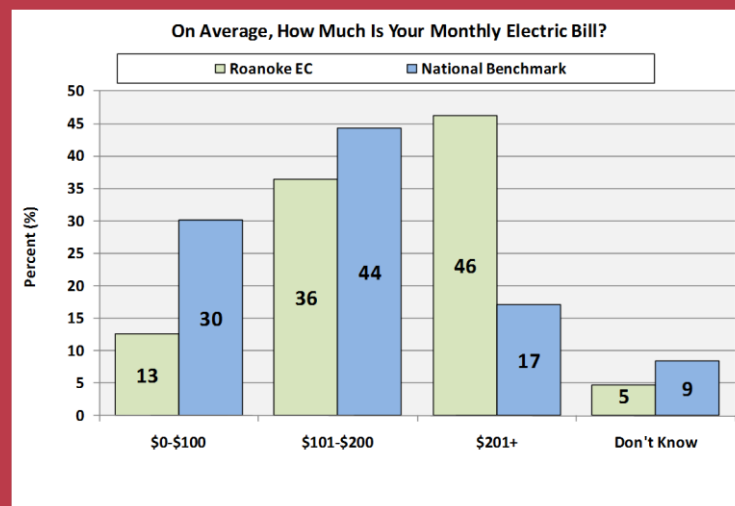
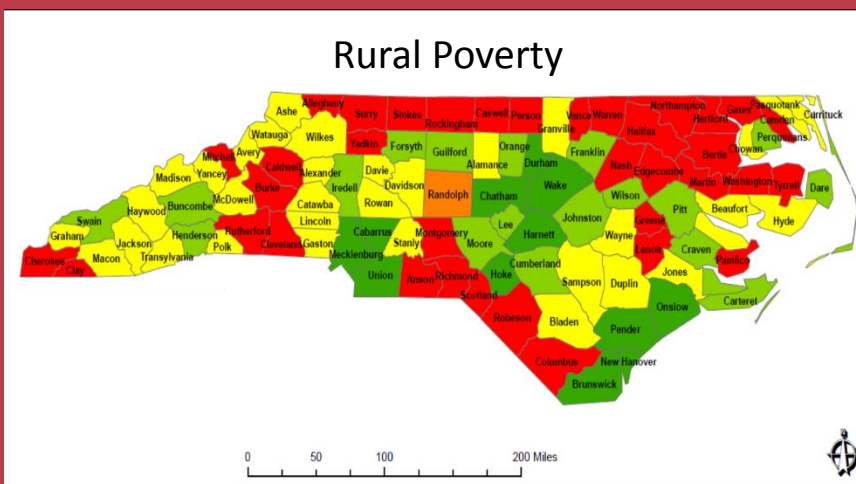
[@Roanoke_EC](#)

How the tariff-based approach works

- REC, through its affiliate non-profit program operator, takes control of and finances the energy efficiency work from start to finish
- THIS IS A VOLUNTARY PROGRAM
- REC is repaid via a bill tariff charged to the member residing at the location of the EE measures
- Charge cannot exceed 75% of savings
- Estimated charge is determined before measures are done
- Obligation to pay for measures stays at location

Why a 'tariff-based' EE Program?

- Demographics of our region
- Drastic needs of our members
- Utility bill has become an increasing percentage of overall budgets
- Previous failed attempts to implement OBF programs



Getting Members to “Yes”

- Previous offers have not worked because of market barriers – reasons to say “No”
 - All targeted measures are cost effective for the highest-using Members
 - That hasn’t been enough to get Members to “Yes”
- All barriers must be removed to get our members to say ‘Yes’ to program offers
- REC treats EE measures like other system improvements

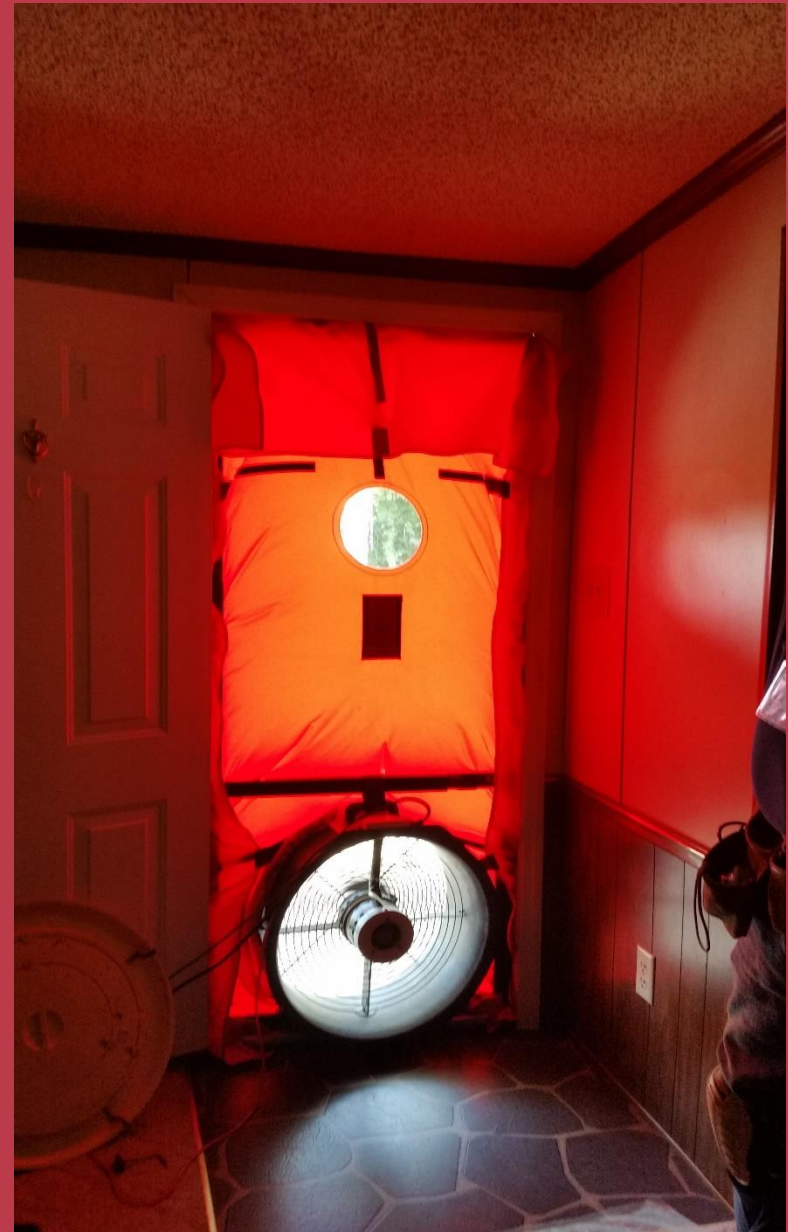
An Offer That Works

- Member pays nothing upfront
- Immediate improvement in cash flow
- If they move or measures fail and are not repaired, their payment obligation ends – as long as they have fulfilled their responsibilities
- Members incur no debt and have no liens, no loan
- Renters don't need to ask landlords to pay for measures that benefit the renter



Targeted Measures

- Targeting measures most likely to produce savings and more comfort in Members' homes, but any cost effective measure may be proposed
- **Measure Assessors** will identify measure packages for Members
 - 2014 most efficient Energy Star heat pumps
 - Air and duct sealing
 - Capping attic insulation with proper ventilation
 - Floor insulation
 - LEDs (3 hrs. / 38 watts) and showerheads (8 min/day)
- Copayments or “Copays”





More Members Saying “Yes” means...

- More opportunities for contractors
- Increased economic activity in Roanoke’s service territory
- Satisfied members with lower bills and more comfortable homes
- A successful program that fulfills our commitment to our members

Roanoke EC Benefits

- Lower demand cost
- Displace Renewable Portfolio Standards (REPs) requirements
- Increased member satisfaction

Questions