Saving Energy, Saving Money:

How South Carolina's Electric and Natural Gas Utilities
Are Using Demand-Side Management to Help Customers
Reduce Their Energy Bills





Note: This handout is based on a report of the same name published by the South Carolina Energy Office (SCEO). To access the full report, please visit energy.sc.gov or contact the SCEO at 803-737-5086

Demand-side management (or "DSM") is a strategy that electric and natural gas utilities employ to decrease or defer demand for their energy services. "Energy efficiency", "conservation", "demand response", and "load management" are terms commonly used to describe different types of DSM activities.

DSM directly benefits utilities by reducing their need for wholesale energy resources, pollution controls, and/or expensive investments in generation, transmission, and distribution infrastructure. Utilities are also encouraged by state legislative and regulatory incentives and mandates to increase their adoption of DSM.

Many DSM programs provide financial incentives (such as rebates, bill credits, lower rates, or low-interest financing) to encourage customers to make choices that reduce their energy consumption overall or during periods of peak demand.

In addition, by encouraging customers to reduce their energy usage or to consume energy during times when energy services are less costly, DSM programs help customers to reduce their monthly utility bills.

Finally, utilities may choose to pass their operating savings on to consumers, resulting in lower customer utility bills.

What are utility providers in South Carolina doing to help their customers save energy and save money?



<u>Lots of things!</u> The vast majority of electric and natural gas utilities in South Carolina conducted some sort of DSM activity in 2011. Together, these utilities provided 98% of the electricity and 91% of the natural gas purchased by South Carolina customers. Their DSM activity consisted of the following:

Energy Efficiency:

- •Financial incentives to promote energy efficient new construction.
- •Financial incentives to encourage energy efficiency improvements in existing structures.
- •On-site energy assessments, providing trained personnel to evaluate facilities and suggest methods for improving efficiency.
- •Energy efficiency and weatherization programs targeting low-income customers, giving personalized assistance and financial support to enable these customers to make needed home improvements and lower their monthly electric bill.
- •Financial incentives for the purchase and/or installation of energy efficient appliances, equipment, and/or lighting.

Load Management:

- •Financial incentives to customers that opt to allow utilities to control their peak load by curtailing the operation of certain appliances or equipment (such as water heaters or HVAC systems) during periods of peak demand.
- •Financial incentives to customers that agree to partially or completely halt utility consumption, or allow the utility to interrupt service, during periods of peak demand.
- •Utility rates that reflect time-of-use, real-time, and/or seasonal costs during periods of peak demand.
- •Financial incentives for customers to switch to on-site standby electricity generation during periods of peak demand.
- •Financial incentives for the operation of thermal storage equipment.
- •Reducing the voltage of electricity delivered to customers during periods of peak demand.

Public Information:

- •Websites that offer energy efficiency and conservation tips and/or web-based systems for viewing and analyzing monthly electricity usage and cost.
- •In-home meters that display real-time information about customers' current and monthly electricity usage and cost.
- •Direct communication with customers through mailings and/or in-person assistance to publicize utility DSM programs and to offer energy efficiency and conservation tips and services.
- •Public outreach campaigns through advertising and/or presence at community events to publicize utility DSM programs and offer energy efficiency and conservation tips.
- •Instructional programs and/or resources to K-12 schools to promote energy awareness.

For an overview of the DSM programs offered by your electric or natural gas utility as of 2011, please see pages 3 and 4 of this handout.*

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*This overview is based on utility responses to the South Carolina Energy Office's requests for information, as required by South Carolina Code of Laws Section 58-37-30. If you would like to learn more about a particular electric or natural gas utility's DSM programs, please contact the customer services department of that utility for additional information.

South Carolina Electric Utilities: Summary of Demand-Side Management (2011)

		Energy Efficiency Load Management Public Info									ublic Information	Information					
Electric Utility Name	Ownership	New Building Efficiency Incentives	Existing Building Retrofit Incentives	On-Site Energy Assessments	Low-Income Efficiency and Weatherization Assistance	Equipment and Lighting Incentives	Load Control Incentives	Interruptible Service Incentives	Time-of- Use or Seasonal Rates	Standby Generation Incentives		Voltage Reduction	Web-Based Customer Tips and Tools		Direct-to- Customer	Public Campaigns	School Programs & Resources
City of Abbeville	Municipal			✓									✓		✓		
Bamberg Board of Public Works	Municipal																
City of Bennettsville	Municipal																
City of Camden	Municipal											✓					
City of Clinton	Municipal																
Town of Due West	Municipal																
Duke Energy Carolinas	Investor-Owned			✓	✓	✓	✓	✓	✓								✓
Easley Combined Utility System	Municipal											✓					
Electric Cooperatives (20 Co-ops)	Cooperative		√ *				✓										
Gaffney Board of Public Works	Municipal																
City of Georgetown	Municipal																
Greenwood CPW	Municipal																
Greer CPW	Municipal			✓					✓				✓				
Laurens CPW	Municipal																
Lockhart Power Company	Investor-Owned																
McCormick CPW	Municipal																
City of Newberry	Municipal																
Orangeburg DPU	Municipal			✓					√								
Progress Energy Carolinas	Investor-Owned	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓		✓	✓	✓
Town of Prosperity	Municipal																
City of Rock Hill	Municipal					✓	✓	✓				✓				✓	
Santee Cooper	State-Owned	✓	✓	✓	√ *	✓			✓				✓		✓	✓	✓
Seneca Light & Water Plant	Municipal																
South Carolina Electric & Gas Co.	Investor-Owned	✓	✓	✓		✓		✓	✓	✓			✓	✓	✓	✓	
City of Union	Municipal											✓					
Westminster CPW	Municipal							✓									
Town of Winnsboro	Municipal																

Source: South Carolina Energy Office, annual survey of utilities

^{*} Pilot programs

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			Energy	Efficiency		Load Management	Public Information			
Natural Gas Utility Name	Ownership	New Building On-Site Efficiency Energy We		Low-Income Efficient Efficiency and Appliance or Weatherization Equipment Assistance Inventives		Interruptible Service Incentives	Customer	Direct-to- Customer s Communication	Public Campaign	
Bamberg Board of Public Works	Municipal									
City of Bennettsville	Municipal									
Chester County Natural Gas Authority	Municipal				✓					
Clinton-Newberry Natural Gas Authority	Municipal				✓					
Fort Hill Natural Gas Authority	Municipal				✓	✓				
Fountain Inn Natural Gas	Municipal									
Greenwood Commission of Public Works	Municipal									
Greer Commission of Public Works	Municipal		✓				✓			
Laurens Commission of Public Works	Municipal									
Orangeburg Department of Public Utilities	Municipal				✓	✓				
Piedmont Natural Gas Company	Investor-Owned			✓	✓			✓		
South Carolina Electric & Gas Company	Investor-Owned	✓	✓				✓	✓	✓	
City of Union	Municipal									
Town of Winnsboro	Municipal									
York County Natural Gas Authority	Municipal						✓			