Efficiency Works

EE Keeps Rates and Bills Low

The cost of a kilowatt-hour (kWh) of energy efficiency averages around 3 cents per kWh; a new natural gas plant, on the other hand, has an average cost of 8 cents per kWh.

Arkansas’ rates decreased for all classes the year they implemented a state-wide energy efficiency program. That same year, Louisiana’s rates increased for all customer classes.

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>AR</td>
<td>$9.34/9.00</td>
<td>$7.67/7.42</td>
<td>$5.97/5.59</td>
</tr>
<tr>
<td>LA</td>
<td>$8.4/8.99</td>
<td>$8.07/8.64</td>
<td>$5.62/5.92</td>
</tr>
</tbody>
</table>

The Louisiana EE program follows the successful Arkansas model of a 2-phase process. The “quick start” phase is designed to create a good foundation for energy efficiency programs while allowing time for all stakeholders to work through challenging issues before the start of the long-term, comprehensive program.

Further, Louisiana and Arkansas share many of the same utility companies. These companies have experience and demonstrated success running an energy efficiency program. Below is chart showing Entergy, SWEPCO, and Center Point data for program year 2012.

<table>
<thead>
<tr>
<th></th>
<th>Net Energy Savings (MWh)</th>
<th>Net Demand Reduction (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entergy AR</td>
<td>107,627</td>
<td>23.3</td>
</tr>
<tr>
<td>SWEPCO</td>
<td>17,766.6</td>
<td>10,059.6</td>
</tr>
<tr>
<td>Center Point</td>
<td>2,019,379</td>
<td>17,184</td>
</tr>
</tbody>
</table>

These savings go directly back to customers. For just one year of savings, $25,505,000 went right back to customers.
Efficiency Works

Louisiana Needs Energy Diversity

Compared to March 2012, the average cost of electricity increased in a majority of States across the country. The largest increase in average retail revenue was in Louisiana (+15.7%). Natural Gas Price, Henry Hub ($/mmBtu) went up 78%.

Energy Bills in Louisiana are Too High

The national average energy cost for efficient commercial buildings is $1.00 per sq.ft. The NOLAWise program found that commercial buildings in Louisiana were 50-100% more expensive to operate.

Residential customers do not compare favorably to other states. In the chart below, Louisiana families are paying almost twice what California and Maine customers pay on their bills even though utility rates are higher.