



Better Buildings Residential Network
Program Sustainability/Working with Utilities
Peer Exchange Call:
Working with Smaller Municipal Utilities

Call Slides and Summary

June 27, 2013

- Call Logistics and Roll Call
 - Is your program working with smaller municipal utilities or other types of publicly owned utilities?
- Discussion
 - How does working with publicly-owned utilities differ from working with other types of utilities?
 - What are key challenges and opportunities for working with smaller municipal utilities or other publicly owned utilities?
 - What have programs learned about effective strategies?
- Future Call Topics

Participating Programs and Organizations



- Ann Arbor, MI
- Atlanta, GA
- Austin, TX
- Boulder, CO
- Marquette, MI
- Omaha, NE
- Opportunity Studies
- Superior Watersheds
- Clean Energy Coalition (MI)

Lessons Learned: Opportunities

- Communication and coordination with municipal utility management can be easier than for investor-owned utilities (IOUs)
 - Because municipal utilities are managed locally, it can be easier to know who to talk to and leverage existing relationships (e.g. compared to a large or out-of-state IOUs)
 - BeSMART Maryland found that obtaining energy usage data from municipal utilities was surprisingly easy
- Because municipal utilities are overseen by elected officials (rather than a public utility commission) they can be more flexible and responsive to the needs and values of the local customer base
 - For example, Austin, TX was able to pursue a conservation charge pilot project in part because of its progressive customer base

Lessons Learned: Challenges

- State governments tend to be more comfortable establishing rules that encourage energy efficiency (e.g., Renewable Portfolio Standards) for investor-owned utilities versus municipal utilities (Nebraska, Austin)
 - However, Colorado just increased the stringency of its Renewable Portfolio Standard for municipal utilities
- Municipal and other public utilities often put a priority on keeping rates low, which can discourage utility investments in energy efficiency
- Municipal utilities have historically tended to be less customer-focused, so customer service may be lacking
 - Efforts are underway in Austin to improve the customer services of its municipal utility

Lessons Learned: Challenges, cont.

- The decision-making structure can be complex, which can halt or delay decisions about energy efficiency programs
 - For example, Boulder has been seeking to work with a municipal utility that is interested in the program but is “hamstrung” because it is a member of a co-op (and therefore subject to co-op rules and decision-making)
- Municipal utilities are often small and may have limited staff capacity
 - For example, the city of Hagerstown, MD only has two full time staff. The electrical engineer also serves as the webmaster and marketing guru
- There may be little consistency among how smaller municipal utilities in one region do things
 - In Michigan, this created challenges for a regional program seeking to work with many smaller municipal utilities

- Communication is key. Frequent check-ins with municipal systems can help identify opportunities to partner
 - For example, BeSMART Maryland learned from a homeowner in Berlin, MD that the local municipal utility provided energy incentives to town residents, including utility bill discounts and free energy audits; this presented an opportunity for BeSMART to co-market with the utility
- Personal relationships are important. Look for local partners that already have good relationships with utilities that can be leveraged
- Provide as much support as possible to overcome capacity challenges (e.g., customized marketing materials, event outreach support, etc.)