

CASE STUDY
NEW MEXICO

# Pump Off Controllers and the Opportunity for Customers

Pump off controllers are a technology used by oil producers on rod pumps to more efficiently and effectively operate within the characteristics of their leases. The controllers have become common industry practice for new oil wells.

Though the technology is not new, pump-off controllers have not always been common industry practice. There are many wells still operating on clock/timer technology as the cost/benefit analysis has not yet come into balance; until now.

Xcel Energy helps bring opportunity to the oil producer's doorstep. Through our energy efficiency rebates, customers can seize the opportunity to retrofit their older processes through capital projects or the use of available 0 & M funds.

Specifically, Xcel Energy is offering rebates for the installation of pump off controllers on existing wells with conventional beam units. Non conventional units may be pursued via our Custom Efficiency Program which requires preapproval. The following is an example project that benefited from Xcel Energy rebates for pump off controllers.



#### THE RESULTS

- Seven wells retrofitted with pump off controllers
- Annual Energy savings: 167,174 kWh
- Annual Peak Demand Reduction: 23.57 kW
- Xcel Energy rebate: \$21,000
- Annual energy cost savings: \$9,461
- Per well net payback ranged from 1 to 4.5 years
   Footnote: Savings calculations were drawn from standard engineering practices using the Society of Petroleum Engineers

#### **ADDITIONAL BENEFITS**

- Better use of operational dollars
- Able to make a case for capital dollar funding moving forward
- Potential reduced maintenance cost with fewer starts
- Reduced wear on Oil Beam Unit

### **Energy Efficiency Rebate Program Overview**

Xcel Energy offers a variety of energy saving solutions that not only meet your operational goals, but help your performance. Our energy efficiency programs, help businesses earn rebates on almost any equipment or process improvement that leads to energy savings. It's that easy, and the pump off controller rebate, via our Motor & Drive Efficiency Program is just one of many ways to help you.

## FIND OUT HOW EFFICIENCY REBATES CAN HELP YOU

Call your Xcel Energy account manager or our energy efficiency specialists at **1-800-481-4700** for more information or visit **xcelenergy.com/rebates**