

Program Cost-Effectiveness - 2009 ACTUAL

	Total Resource Benefit/Cost Ratio	Present Value						Number of Customers Served
		Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	
Residential Programs								
ENERGY STAR Homes	3.28	\$ 4,964.5	\$ 830.6	\$ 680.7	16,470.9	294.7	193.8	382
Home Energy Solutions	2.63	\$ 3,860.6	\$ 1,339.4	\$ 129.4	42,802.6	1,213.6	582.9	1,553
HES Fuel Neutral Pilot (Electric)	1.14	\$ 143.1	\$ 117.5	\$ 7.5	1,604.6	52.0	25.0	89
ENERGY STAR Lighting	3.55	\$ 4,916.4	\$ 771.6	\$ 613.6	61,775.8	4,321.3	842.5	233,053
ENERGY STAR Appliances	1.83	\$ 3,575.7	\$ 686.4	\$ 1,266.1	27,393.7	297.6	289.6	10,357
Home Energy Assistance	1.24	\$ 3,278.9	\$ 1,842.0	\$ 810.7	8,828.0	280.2	134.6	518
EnergyStar Homes (Geotherma	3.35	\$ 2,251.7	\$ 363.2	\$ 308.0	41,626.2	962.1	17.3	54
		\$ -	\$ -	\$ -	-	-	-	-
Subtotal Residential	2.35	\$ 22,991.0	\$ 5,950.7	\$ 3,816.0	200,501.8	7,421.5	2,085.6	246,006
Commercial/Industrial Programs								
New Construction / Major Reno	4.24	\$ 10,619.0	\$ 1,848.3	\$ 659.0	91,377.8	1,051.9	2,469.6	179
Large C&I Retrofit	2.89	\$ 19,454.5	\$ 2,165.0	\$ 4,565.6	190,768.3	3,020.3	4,296.3	199
Small C&I Retrofit	2.31	\$ 9,426.0	\$ 2,060.2	\$ 2,017.7	101,219.3	1,378.9	1,628.2	745
C&I RFP Pilot	2.12	\$ 1,497.7	\$ 280.8	\$ 425.0	12,656.9	202.2	428.7	3
Partnerships		\$ -	\$ 35.6	\$ -	-	-	-	2
Education		\$ -	\$ 115.1	\$ -	-	-	-	-
Subtotal C&I	2.89	\$ 40,997.2	\$ 6,504.9	\$ 7,667.2	396,022.4	5,653.4	8,822.7	1,128
Smart Start		\$ -	\$ 53.9		-	-	-	59
HES Fuel Neutral Pilot (Additior	1.84	\$ 755.0	\$ 320.1	\$ 89.4	-	0	0	in above
		\$ 755.0	\$ 373.9	\$ 89.4	-	-	-	59
Total	2.65	\$ 64,743.3	\$ 12,829.6	\$ 11,572.5	596,524.2	13,074.9	10,908.3	247,193

Program Cost-Effectiveness - 2009 PLAN

	Total Resource Benefit/Cost Ratio	Present Value					Summer kW Savings	Number of Customers Served
		Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)	Lifetime MWh Savings	Winter kW Savings		
Residential Programs								
ENERGY STAR Homes	1.70	\$ 2,067.6	\$ 823.6	\$ 389.9	3,987.6	117.4	29.0	347
Home Energy Solutions ^{*1}	0.98	\$ 1,494.3	\$ 1,333.0	\$ 187.9	11,741.2	323.4	138.0	1,115
HES Fuel Neutral Pilot (Electric)	0.40	\$ 32.4	\$ 60.0	\$ 20.0	414.6	22.6	4.4	200
ENERGY STAR Lighting ^{*2}	3.75	\$ 5,313.1	\$ 997.0	\$ 420.9	67,325.9	4,375.3	853.0	224,009
ENERGY STAR Appliances	1.97	\$ 2,384.8	\$ 606.8	\$ 606.0	15,243.7	136.9	458.5	9,965
Home Energy Assistance	0.64	\$ 1,310.8	\$ 1,935.3	\$ 128.5	7,201.7	250.8	120.5	514
EnergyStar Homes (Geothermal)	1.48	\$ 947.9	\$ 346.8	\$ 294.7	16,723.2	375.9	20.5	40
Electro-Thermal Storage Units (LI)		\$ -	\$ -	\$ -	-	-	-	-
Subtotal Residential	1.66	\$ 13,550.8	\$ 6,102.424	\$ 2,048.0	122,637.881	5,602.4	1,623.8	236,190
Commercial/Industrial Programs								
New Construction / Major Renoval	2.88	\$ 7,311.2	\$ 1,902.9	\$ 638.8	67,241.6	835.2	1,540.4	106
Large C&I Retrofit	2.33	\$ 11,567.7	\$ 2,242.7	\$ 2,715.0	114,598.8	1,715.8	2,375.2	120
Small C&I Retrofit	1.90	\$ 7,174.3	\$ 2,174.7	\$ 1,593.8	75,020.7	983.6	1,161.4	404
C&I RFP Pilot	1.97	\$ 1,626.0	\$ 475.7	\$ 348.7	13,287.9	154.6	445.7	3
Other (Education)	0.00	\$ -	\$ 157.7	\$ -	-	-	-	-
Other		\$ -	\$ -	\$ -	-	-	-	-
Subtotal C&I	2.26	27,679.1	\$ 6,953.8	\$ 5,296.3	270,149.0	3,689.3	5,522.8	633
Smart Start		\$ -	\$ 50.0	\$ -	-	-	0	-
HES Fuel Neutral Pilot (Additional)	2.14	\$ 478.5	\$ 167.5	\$ 55.8	194.2	4.6	2.2	in above
		\$ 478.5	\$ 217.5	\$ 55.8	194.2	4.6	2.2	-
Total	2.02	41,708.4	\$ 13,273.7	\$ 7,400.2	392,981.1	9,296.3	7,148.8	236,823

Note 1: This includes 200 Fuel Blind Home Energy Solutions Pilot Program participants

Note 2: Plan included 56,002 customers purchasing a total of 224,009 lighting products (4 per customer)

Shareholder Incentive Calculation

2009

	<u>Planned</u>	<u>Actual</u>
Commercial/Industrial Incentive		
1. Benefit/Cost Ratio	2.16	2.75
2. Threshold Benefit / Cost Ratio ¹	1.00	
3. Lifetime kWh Savings	270,149,013	396,022,403
4. Threshold Lifetime kWh Savings (65%) ²	175,596,859	
5. Budget	\$6,953,803	\$6,504,946
6. Benefit / Cost Percentage of Budget	4.00%	
7. Lifetime kWh Percentage of Budget	4.00%	
8. C/I Shareholder Incentive	\$556,304	\$761,068
9. Cap (12%)	\$834,456	
Residential Incentive		
10. Benefit / Cost Ratio	1.57	2.35
11. Threshold Benefit / Cost Ratio ¹	1.00	
12. Lifetime kWh Savings	122,637,881	200,501,827
13. Threshold Lifetime kWh Savings (65%) ²	79,714,623	
14. Budget ³	\$6,102,424	\$5,950,700
15. Benefit / Cost Percentage of Budget	4.00%	
16. Lifetime kWh Percentage of Budget	4.00%	
17. Residential Incentive	\$488,194	\$732,291
18. Cap (12%)	\$732,291	
19. TOTAL INCENTIVE EARNED		\$1,493,359

Notes

1. Actual Benefit / Cost Ratio for each sector must be greater than or equal to 1.0.

2. Actual Lifetime kWh Savings for each sector must be greater than or equal to 65% of projected savings.

3. The estimated budget for fossil savings in Fuel Blind HES Pilot Program not included (per Staff Desk Audit)

Planned Versus Actual Benefit / Cost Ratio by Sector
2009

	<u>Planned</u>	<u>Actual</u>
Commercial & Industrial:		
1. Benefits (Value) From Eligible Programs	\$ 27,679,086	\$ 40,997,246
2. Implementation Expenses	\$ 6,953,803	\$ 6,504,946
3. Customer Contribution	\$ 5,296,314	\$ 7,667,178
4. Estimated Shareholder Incentive ¹	<u>\$ 556,304</u>	<u>\$ 761,068</u>
5. Total Costs (including shareholder incentive)	\$ 12,806,421	\$ 14,933,192
6. Benefit/Cost Ratio - C&I Sector	2.16	2.75
 Residential:		
7. Benefits (Value) From Eligible Programs	\$ 13,550,774	\$ 22,991,042
8. Implementation Expenses	\$ 6,102,424	\$ 5,950,700
9. Customer Contribution	\$ 2,048,013	\$ 3,815,991
10. Estimated Shareholder Incentive ^{1,2}	<u>\$ 488,194</u>	<u>\$ 732,291</u>
11. Total Costs (including shareholder incentive)	\$ 8,638,632	\$ 9,766,691
12. Benefit/Cost Ratio - Residential Sector	1.57	2.35

Notes

1. For Actual, revised both the C&I (Item #4) and the Residential (Item #10) Estimated Shareholder Incentive (per Staff Desk Audit).
2. For Planned, revised the Residential (Item #10) Estimated Shareholder Incentive (per Staff Desk Audit).

Actual Lifetime Energy Savings by Sector and Program
 2009

	Lifetime kWh Savings	
	<u>Planned</u>	<u>Actual</u>
Commercial & Industrial:		
New Equipment & Construction	67,241,635	91,377,836
Large C&I Retrofit	114,598,762	190,768,341
Small Business Energy Solutions	75,020,685	101,219,283
Education	0	0
Utility Specific (Energy Rewards RFP Program)	13,287,932	12,656,943
Other	<u>0</u>	<u>0</u>
 Total Commercial & Industrial Included for Incentive Calculation	 270,149,013	 396,022,403
 Residential:		
Home Energy Assistance Program	7,201,690	8,827,996
Home Energy Solutions Program	11,741,219	42,802,639
HES Fuel Neutral Pilot (Electric) ¹	414,614	1,604,647
ENERGY STAR Homes Program	3,987,604	16,470,916
ENERGY STAR Appliance Program	15,243,734	27,393,686
ENERGY STAR Lighting Program	67,325,855	61,775,768
Electro-Thermal Storage Units	0	0
Utility Specific: ENERGY STAR Homes - Geothermal)	<u>16,723,166</u>	<u>41,626,175</u>
 Total Residential Included for Incentive Calculation	 122,637,881	 200,501,827

Notes

1. Corrected Planned Residential Lifetime kWh savings by adding in Electric Fuel Neutral Savings (per Staff Desk Audit).

2009 End of Year Reconciliation

	<u>2009</u>
Carry Forward Balance	\$ (31,574)
Funding:	
System Benefit Charge	\$ 13,783,450
FCM Payments	1,249,570
Interest	43,705
Total Funding for 2009 Energy Efficiency Programs	<u>\$ 15,076,725</u>
Expenses:	
Energy Efficiency Expenditures	\$ 12,829,562
Shareholder Incentive	1,493,359
2% for PSNH Facilities	275,669
Total 2009 Program Expenses	<u>\$ 14,598,590</u>
Carry Forward Balance	<u><u>\$ 446,561</u></u>