

**Program Cost-Effectiveness - 2012 PLAN**

	Total Resource Benefit/Cost Ratio	Present Value			Annual MWh Savings	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	Number of Members Served
		Benefit (\$000)	Utility Costs (\$000)	Member Costs (\$000)					
<b>Residential Programs</b>									
ENERGY STAR Homes	4.6	\$ 1,307.4	\$ 160.9	\$ 126.0	59.2	915.1	11.9	23.6	57
Home Performance w/Energy Star	2.5	\$ 542.3	\$ 180.8	\$ 31.9	342.1	5,474.4	115.3	115.3	59
ENERGY STAR Lighting <sup>*1</sup>	2.3	\$ 405.2	\$ 108.1	\$ 64.3	1,281.2	6,791.2	298.1	79.2	39,467
ENERGY STAR Appliances	1.4	\$ 396.0	\$ 142.1	\$ 140.9	360.3	3,674.5	49.6	44.5	1,914
Home Energy Assistance	2.2	\$ 477.1	\$ 215.6	\$ -	73.6	883.4	24.8	24.8	61
High Efficiency Heat Pump	<u>2.3</u>	<u>\$ 657.4</u>	<u>\$ 138.4</u>	<u>\$ 148.1</u>	<u>408.6</u>	<u>10,214.7</u>	<u>107.3</u>	<u>6.1</u>	<u>20</u>
<b>Subtotal Residential</b>	<b>2.6</b>	<b>\$ 3,785.4</b>	<b>\$ 946.0</b>	<b>\$ 511.2</b>	<b>2,525.1</b>	<b>27,953.2</b>	<b>607.0</b>	<b>293.5</b>	<b>41,578</b>
<b>Commercial/Industrial Programs</b>									
New Construction / Major Renovation	1.2	\$ 480.1	\$ 129.4	\$ 265.7	386.9	5,803.3	49.3	75.6	14
Large C&I Retrofit	1.0	\$ 477.4	\$ 148.0	\$ 312.0	461.9	6,004.8	56.3	86.2	23
Small C&I Retrofit	1.3	\$ 390.6	\$ 165.0	\$ 128.1	370.4	4,815.5	46.0	74.5	31
Other (Education)	0.0	\$ -	\$ 35.6	\$ -	-	-	-	-	-
Smart Start	<u>0.0</u>	<u>\$ -</u>	<u>\$ 13.4</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Subtotal C&amp;I</b>	<b>1.1</b>	<b>1,348.1</b>	<b>491.4</b>	<b>705.8</b>	<b>1,219.2</b>	<b>16,623.7</b>	<b>151.6</b>	<b>236.3</b>	<b>68</b>
<b>Total</b>		<b>\$ 5,133.5</b>	<b>\$ 1,437.3</b>	<b>\$ 1,217.1</b>	<b>3,744.3</b>	<b>44,576.8</b>	<b>758.6</b>	<b>529.8</b>	<b>41,646</b>

Note 1: Plan included 9,867 members purchasing a total of 39,467 lighting products (4 per member)

**Program Cost-Effectiveness - 2012 ACTUAL**

	Total Resource Benefit/Cost Ratio	Present Value			Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	Number of Members Served
		Benefit (\$000)	Utility Costs (\$000)	Member Costs (\$000)				
		<b>Residential Programs</b>						
ENERGY STAR Homes	3.76	\$ 1,276.4	\$ 170.0	\$ 169.3	1,311.9	14.8	6.1	77
Home Performance with Energy Star	2.75	\$ 220.4	\$ 56.8	\$ 23.3	706.4	15.0	14.9	19
ENERGY STAR Lighting	1.52	\$ 365.9	\$ 100.6	\$ 140.7	5,979.6	225.2	59.9	29,053
ENERGY STAR Appliances	1.49	\$ 400.4	\$ 135.1	\$ 134.0	3,807.9	49.2	46.6	2,256
Home Energy Assistance	1.13	\$ 294.5	\$ 261.2	\$ -	891.8	29.8	29.8	64
High Efficiency Heat Pump	3.70	\$ 516.5	\$ 49.9	\$ 89.5	6,673.1	72.5	1.4	11
<b>Subtotal Residential</b>	<b>2.31</b>	<b>\$ 3,074.2</b>	<b>\$ 773.7</b>	<b>\$ 557.0</b>	<b>19,370.7</b>	<b>406.5</b>	<b>158.7</b>	<b>31,480</b>
<b>Commercial/Industrial Programs</b>								
New Construction / Major Renovation	2.04	\$ 583.1	\$ 145.1	\$ 141.2	7,213.1	63.1	88.2	18
Large C&I Retrofit	1.56	\$ 1,009.1	\$ 191.6	\$ 453.8	14,589.6	210.3	114.2	23
Small C&I Retrofit	1.02	\$ 496.2	\$ 283.0	\$ 203.5	6,029.2	59.4	102.0	67
Other (Education)	0.00	\$ -	\$ 18.0	\$ -	-	-	-	-
Smart Start	0.00	\$ -	\$ 3.0	\$ -	-	-	-	2
<b>Subtotal C&amp;I</b>	<b>1.45</b>	<b>\$ 2,088.4</b>	<b>\$ 640.7</b>	<b>\$ 798.6</b>	<b>27,831.9</b>	<b>332.8</b>	<b>304.4</b>	<b>108</b>
<b>Total</b>		<b>\$ 5,162.6</b>	<b>\$ 1,414.4</b>	<b>\$ 1,355.6</b>	<b>47,202.7</b>	<b>739.3</b>	<b>463.1</b>	<b>31,588</b>

**Present Value Benefits - 2012 PLAN**

	Total Benefits (\$000)	CAPACITY				ENERGY				Non Electric Resource
		Summer Generation	Winter Generation	Transmission	Distribution	Winter Peak	Winter Off Peak	Summer Peak	Summer Off Peak	
<b>Residential Programs</b>										
ENERGY STAR Homes	\$1,307	\$24,267	\$0	\$4,979	\$16,381	\$14,014	\$18,001	\$13,190	\$10,913	\$1,205,673
Home Performance w/Energy Star	\$542	\$113,798	\$0	\$24,000	\$78,965	\$94,196	\$122,401	\$49,046	\$59,883	\$0
ENERGY STAR Lighting <sup>*1</sup>	\$405	\$16,635	\$0	\$5,785	\$19,033	\$105,555	\$136,059	\$55,471	\$66,674	\$0
ENERGY STAR Appliances	\$396	\$18,414	\$0	\$5,953	\$19,586	\$59,366	\$77,453	\$32,447	\$38,104	\$144,663
Home Energy Assistance	\$477	\$14,086	\$0	\$3,962	\$13,036	\$14,612	\$19,069	\$7,676	\$9,288	\$395,405
High Efficiency Heat Pump	<u>\$657</u>	<u>\$11,485</u>	<u>\$0</u>	<u>\$1,871</u>	<u>\$6,155</u>	<u>\$206,492</u>	<u>\$402,307</u>	<u>\$15,790</u>	<u>\$13,252</u>	<u>\$0</u>
<b>Subtotal Residential</b>	<b>\$3,785</b>	<b>\$198,684</b>	<b>\$0</b>	<b>\$46,549</b>	<b>\$153,156</b>	<b>\$494,236</b>	<b>\$775,289</b>	<b>\$173,619</b>	<b>\$198,114</b>	<b>\$1,745,741</b>
<b>Commercial/Industrial Programs</b>										
New Construction / Major Renovation	\$480	\$66,604	\$0	\$14,835	\$48,811	\$98,094	\$91,379	\$91,362	\$69,036	\$0
Large C&I Retrofit	\$477	\$57,742	\$0	\$14,825	\$48,778	\$115,321	\$100,486	\$82,651	\$57,595	\$0
Small C&I Retrofit	\$391	\$49,901	\$0	\$12,812	\$42,154	\$103,461	\$81,063	\$59,766	\$41,434	\$0
Other (Education)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Start	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal C&amp;I</b>	<b>\$1,348</b>	<b>\$174,246</b>	<b>\$0</b>	<b>\$42,472</b>	<b>\$139,743</b>	<b>\$316,876</b>	<b>\$272,928</b>	<b>\$233,779</b>	<b>\$168,065</b>	<b>\$0</b>
<b>Total</b>	<b>\$5,133</b>	<b>\$372,930</b>	<b>\$0</b>	<b>\$89,022</b>	<b>\$292,898</b>	<b>\$811,112</b>	<b>\$1,048,217</b>	<b>\$407,398</b>	<b>\$366,179</b>	<b>\$1,745,741</b>

**Present Value Benefits - 2012 ACTUAL**

	Total Benefits (\$000)	CAPACITY				ENERGY				Non Electric Resource
		Summer Generation	Winter Generation	Transmission	Distribution	Winter Off		Summer Off		
						Peak	Peak	Peak	Peak	
<b>Residential Programs</b>										
ENERGY STAR Homes	\$1,276	\$6,057	\$0	\$1,260	\$4,144	\$23,513	\$33,640	\$10,482	\$12,268	\$1,185,047
Home Performance w/Energy Star	\$220	\$14,685	\$0	\$3,097	\$10,190	\$12,155	\$15,794	\$6,329	\$7,727	\$150,456
ENERGY STAR Lighting <sup>*1</sup>	\$366	\$16,301	\$0	\$4,990	\$16,417	\$95,250	\$122,853	\$49,848	\$60,218	\$0
ENERGY STAR Appliances	\$400	\$19,849	\$0	\$6,330	\$20,827	\$61,308	\$79,990	\$34,475	\$39,683	\$137,955
Home Energy Assistance	\$295	\$11,944	\$0	\$4,044	\$13,304	\$14,457	\$18,857	\$7,595	\$9,167	\$215,141
High Efficiency Heat Pump	\$517	\$2,681	\$0	\$437	\$1,437	\$137,296	\$271,347	\$3,287	\$3,891	\$96,161
<b>Subtotal Residential</b>	<b>\$3,074</b>	<b>\$71,517</b>	<b>\$0</b>	<b>\$20,158</b>	<b>\$66,319</b>	<b>\$343,979</b>	<b>\$542,481</b>	<b>\$112,016</b>	<b>\$132,954</b>	<b>\$1,784,760</b>
<b>Commercial/Industrial Programs</b>										
New Construction / Major Renovation	\$583	\$77,705	\$0	\$17,308	\$56,947	\$128,025	\$133,312	\$89,222	\$80,543	\$0
Large C&I Retrofit	\$1,009	\$76,538	\$0	\$19,651	\$64,656	\$301,259	\$403,064	\$88,603	\$55,356	\$0
Small C&I Retrofit	\$496	\$65,366	\$0	\$16,930	\$55,704	\$136,419	\$96,819	\$76,242	\$48,737	\$0
Other (Education)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Smart Start	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal C&amp;I</b>	<b>\$2,088</b>	<b>\$219,609</b>	<b>\$0</b>	<b>\$53,889</b>	<b>\$177,307</b>	<b>\$565,703</b>	<b>\$633,195</b>	<b>\$254,067</b>	<b>\$184,636</b>	<b>\$0</b>
<b>Total</b>	<b>\$5,163</b>	<b>\$291,126</b>	<b>\$0</b>	<b>\$74,047</b>	<b>\$243,626</b>	<b>\$909,682</b>	<b>\$1,175,676</b>	<b>\$366,083</b>	<b>\$317,590</b>	<b>\$1,784,760</b>

## Shareholder Incentive Calculation 2012

	<u>Planned</u>	<u>Actual</u>
<b>Commercial/Industrial Incentive</b>		
1. Benefit/Cost Ratio	1.09	1.39
2. Threshold Benefit / Cost Ratio <sup>1</sup>	1.00	
3. Lifetime kWh Savings	16,623,664	27,831,937
4. Threshold Lifetime kWh Savings (65%) <sup>2</sup>	10,805,382	
5. Budget	\$491,355	\$640,715
6. Benefit / Cost Percentage of Budget	4.00%	
7. Lifetime kWh Percentage of Budget	4.00%	
<b>8. C/I Member Incentive</b>	\$39,308	\$58,963
<b>9. Cap (12%)</b>	\$58,963	
<b>Residential Incentive</b>		
10. Benefit / Cost Ratio	2.47	2.23
11. Threshold Benefit / Cost Ratio <sup>1</sup>	1.00	
12. Lifetime kWh Savings	27,953,151	19,370,729
13. Threshold Lifetime kWh Savings (65%) <sup>2</sup>	18,169,548	
14. Budget	\$945,950	\$773,687
15. Benefit / Cost Percentage of Budget	4.00%	
16. Lifetime kWh Percentage of Budget	4.00%	
<b>17. Residential Incentive</b>	\$75,676	\$49,363
<b>18. Cap (12%)</b>	\$113,514	
<b>19. TOTAL INCENTIVE EARNED</b>		<b>\$108,325</b>

### 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.

**Planned Versus Actual Benefit / Cost Ratio by Sector**  
2012

	<u>Planned</u>	<u>Actual</u>
<b>Commercial &amp; Industrial:</b>		
1. Benefits (Value) From Eligible Programs	\$ 1,348,109	\$ 2,088,405
2. Implementation Expenses	\$ 491,355	\$ 640,715
3. Customer Contribution	\$ 745,136	\$ 857,585
4. Estimated Member Incentive	<u>\$ 39,308</u>	<u>\$ 58,962.60</u>
5. Total Costs Including Member Incentive	\$ 1,236,491	\$ 1,498,300
5. Benefit/Cost Ratio - C&I Sector	<b>1.09</b>	<b>1.39</b>
<b>Residential:</b>		
6. Benefits (Value) From Eligible Programs	\$ 3,785,389	\$ 3,074,186
7. Implementation Expenses	\$ 945,950	\$ 773,687
8. Customer Contribution	\$ 586,906	\$ 606,314
4. Estimated Member Incentive	<u>\$ 75,676</u>	<u>\$ 49,363</u>
5. Total Costs Including Member Incentive	\$ 1,532,856	\$ 1,380,001
10. Benefit/Cost Ratio - Residential Sector	<b>2.47</b>	<b>2.23</b>

**Actual Lifetime Energy Savings by Sector and Program**  
2012

	Lifetime kWh Savings	
	<u>Planned</u>	<u>Actual</u>
<b>Commercial &amp; Industrial:</b>		
New Equipment & Construction	5,803,325	7,213,135
Large C&I Retrofit	6,004,825	14,589,612
Small Business Energy Solutions	4,815,514	6,029,190
Education	0	0
Other	<u>0</u>	<u>0</u>
Total Commercial & Industrial Included for Incentive Calculation	<b>16,623,664</b>	<b>27,831,937</b>
<b>Residential:</b>		
Home Energy Assistance Program	883,391	891,810
Home Performance with Energy Star	5,474,363	706,402
ENERGY STAR Homes Program	915,068	1,311,908
ENERGY STAR Appliance Program	3,674,464	3,807,913
ENERGY STAR Lighting Program	6,791,203	5,979,622
High Efficiency Heat Pump Program	<u>10,214,662</u>	<u>6,673,074</u>
Total Residential Included for Incentive Calculation	<b>27,953,151</b>	<b>19,370,729</b>

## 2012 End of Year Reconciliation

	<u>2012</u>
<b>Carry Forward Balance</b>	<b>\$ 569,440</b>
<b>Funding:</b>	
System Benefit Charge	\$ 1,351,510
Forward Capacity Market	\$ 54,015
Interest	24,804
<b>Total Funding for 2011 Energy Efficiency Programs</b>	<b><u>\$ 1,430,328</u></b>
<b>Expenses:</b>	
Energy Efficiency Expenditures	\$ 1,414,067
FCM Expenses	\$ 14,205
Member Incentive - 2011 <sup>1</sup>	\$ 101,926
Member Incentive - 2012 <sup>2</sup>	\$ 108,325
<b>Total 2011 Program Expenses</b>	<b><u>\$ 1,638,522</u></b>
 <b>Carry Forward Balance</b>	 <b><u><u>\$ 361,246</u></u></b>

2. 2011 member incentive accrued in 2011 and booked in 2012

3. 2012 member incentive accrued in 2012 and booked in 2013