



An Exelon Company

Richard G. Webster, Jr.
Vice President
Regulatory Policy and Strategy

Telephone 215.841.4000 ext 5777
Fax 215.841.6208
www.peco.com
dick.webster@peco-energy.com

PECO
2301 Market Street, 515
Philadelphia, PA 19103

April 15, 2014

RECEIVED

APR 15 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Via Federal Express

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Second Floor
Harrisburg, Pennsylvania 17120

**Re: PUC Docket No. M-2008-2069887
Energy Efficiency and Conservation Program Quarterly Report for
December 1, 2013 through February 28, 2014**

Dear Secretary Chiavetta:

In accordance with the Commission's Secretarial Letter dated May 25, 2011, enclosed is PECO's Quarterly Energy Efficiency & Conservation Report for the period December 1, 2013 through February 28, 2014.

PECO is providing a copy of the report to the Act 129 Statewide Evaluator (GDS Associates, Inc.) and is also posting the report on the PECO website.

Please acknowledge receipt of the foregoing on the enclosed copy of this letter.

If you have any further questions regarding this matter, please call me at 215-841-5777.

Sincerely, *Richard G. Webster, JR. / RAS*

cc: C. Walker-Davis, Director, Office of Special Assistants
P. T. Diskin, Director, Bureau of Technical Utility Services
D. P. Hosler, Director, Bureau of Audits
J. E. Simms, Director, Bureau of Investigation & Enforcement
Office of Consumer Advocate
Office of Small Business Advocate
McNees, Wallace & Nurick

enclosures

Quarterly Report to the Pennsylvania Public Utility Commission

For the Period
December 2013 through February 2014
Program Year 5, Quarter 3

RECEIVED

APR 15 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

For Pennsylvania Act 129 of 2008
Energy Efficiency and Conservation Plan

Prepared by Navigant Consulting, Inc.

For

PECO Energy Company

April 15, 2014

Table of Contents

ACRONYMSii

1 OVERVIEW OF PORTFOLIO.....1

 1.1 CARRY-OVER SAVINGS 2

 1.2 SUMMARY OF ACHIEVEMENTS..... 3

 1.3 PROGRAM UPDATES AND FINDINGS 6

 1.4 EVALUATION UPDATES AND FINDINGS 10

2 SUMMARY OF ENERGY IMPACTS BY PROGRAM14

3 SUMMARY OF DEMAND IMPACTS BY PROGRAM.....17

4 SUMMARY OF FINANCES20

 4.1 PORTFOLIO LEVEL EXPENDITURES 20

 4.2 PROGRAM LEVEL EXPENDITURES 21

Acronyms

C&I	Commercial and Industrial
CATI	Computer-Aided Telephone Interview
CDO	Commercial Date of Operation
CFL	Compact Fluorescent Lamp
CHP	Combined Heat and Power
CSP	Conservation Service Provider or Curtailment Service Provider
CVR	Conservation Voltage Reduction
CVRf	Conservation Voltage Reduction factor
DLC	Direct Load Control
DR	Demand Response
EDC	Electric Distribution Company
EDI	Electronic Data Interchange
EE&C	Energy Efficiency and Conservation
EM&V	Evaluation, Measurement, and Verification
GNI	Government, Nonprofit, Institutional
HER	Home Energy Reports
HVAC	Heating, Ventilating, and Air Conditioning
IC	Implementation Contractor
IQ	Incremental Quarter
kW	Kilowatt
kWh	Kilowatt-hour
LED	Light-Emitting Diode
LEEP	Low-Income Energy Efficiency Program
LIURP	Low-Income Usage Reduction Program
M&V	Measurement and Verification
MW	Megawatt
MWh	Megawatt-hour
NTG	Net-to-Gross
PA PUC	Pennsylvania Public Utility Commission
Phase II	June 1, 2013 to May 31, 2017
Phase II Savings	Cumulative Program/Portfolio Phase II Inception to Date
Phase II-CO Savings	Cumulative Program/Portfolio Phase II Inception to Date

	including Carry Over Savings from Phase I
Phase II-Q Savings	Phase II verified gross savings from the beginning of Phase II + PYTD reported gross savings.
Phase II-Q-CO Savings	Phase II verified gross savings from the beginning of Phase II + verified Carry Over Savings from Phase I + PYTD reported gross savings
PY5	Program Year 2013, from June 1, 2013 to May 31, 2014
PY6	Program Year 2014, from June 1, 2010 to May 31, 2015
PY7	Program Year 2015, from June 1, 2011 to May 31, 2016
PY8	Program Year 2016, from June 1, 2012 to May 31, 2017
PYX QX	Program Year X, Quarter X
PYTD	Program Year to Date
RAP	Resource Action Programs
SEER	Seasonal Energy Efficiency Rating
SWE	Statewide Evaluator
TRC	Total Resource Cost
TRM	Technical Reference Manual

1 Overview of Portfolio

Pennsylvania Act 129, signed on October 15, 2008, mandated energy savings and demand reduction goals for the largest electric distribution companies (EDCs) in Pennsylvania for Phase I (2008 through 2013). In 2009, each EDC submitted energy efficiency and conservation (EE&C) plans—which were approved by the Pennsylvania Public Utility Commission (PUC)—pursuant to these goals. Each EDC filed new EE&C plans with the PA PUC in early 2013 for Phase II (June 2013 through May 2016) of the Act 129 programs. These plans were subsequently approved by the PUC in 2013.

Implementation of Phase II of the Act 129 programs began on June 1, 2013. This report documents the progress and effectiveness of the Phase II EE&C accomplishments for PECO in the third quarter (Q3) of Program Year 5 (PY5), defined as December 1, 2013 through February 28, 2014, as well as the cumulative accomplishments of the programs since inception of Phase II. Additionally, this report is structured to document the verified energy savings carried over from Phase I. The Phase I carry-over savings count towards EDC savings compliance targets for Phase II.

Navigant Consulting, Inc. (Navigant) is evaluating the programs, which includes measurement and verification of the savings. The verified savings for PY5 will be reported in the annual report, to be filed November 15, 2014.

1.1 Carry-Over Savings

According to the Phase II Implementation Order, PECO is allowed by the PUC to “carry over” megawatt hour (MWh) savings in excess of its Phase I compliance target into Phase II of Act 129. The total, TRM Verified savings PECO reported for Phase I was 1,399,242 MWh. This value was tentatively accepted by the PUC in its Act 129 Phase I Compliance Determination Order.¹¹ At the time PECO filed its Phase I Final Report, there were three CHP projects (one in the commercial and industrial [C&I] sector, two in the government, nonprofit, institutional [GNI] sector) that had “commercial dates of operation” (CDO) in Phase I, but that were completed too late in the program year to be fully verified by Navigant prior to the Phase I Report. Per the statewide evaluator’s (SWE’s) September 13, 2013 guidance memo on reporting unverified savings,¹² PECO presented reported (unverified) savings for these projects in the Phase I Report. These three projects have since been fully evaluated, and their verified savings total 25,101 MWh. In combination with the TRM Verified savings from Phase I, PECO’s total, TRM Verified savings from Phase I is therefore 1,424,343 MWh. This amount exceeds PECO’s Phase I compliance target of 1,181,550 MWh by 242,793 MWh, which is the amount that PECO is carrying over into Phase II. This is summarized in Table 1-1.

Table 1-1: Savings from Phase I Carried into Phase II

	Savings (MWh)
Phase I TRM Verified Savings Excluding CHP	1,399,242
Phase I CHP Verified Savings	25,101
Total Phase I Verified Savings	1,424,343
Phase I Energy Compliance Target	1,181,550
Verified Carryover Savings	242,793

Source: Navigant analysis

¹¹ Pennsylvania Public Utilities Commission, *Act 129 Phase I Compliance Determination Order*, March 20, 2014, p.6.

¹² Statewide Evaluator, *Guidance Memo GM-021, Reporting Unverified Energy and Peak Demand Savings for Phase I Projects in the Act 129 Phase I Final Report* (September 13, 2013).

1.2 Summary of Achievements

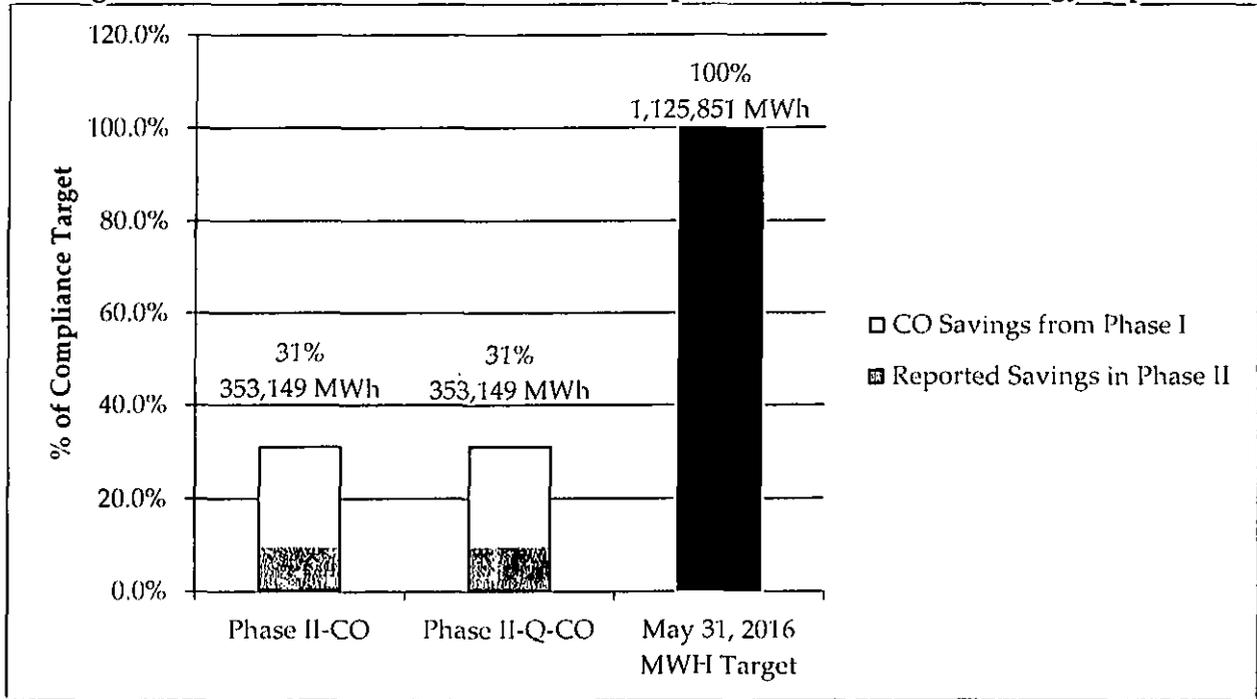
PECO has achieved 31 percent of the May 31, 2016 energy savings compliance target, based on cumulative program inception to date (Phase II) reported gross energy savings,¹ and 31 percent of the energy savings compliance target, based on Phase II-Q-CO² (which will equal Phase II-CO until verified savings are available for PY5) gross energy savings achieved through Q3, as shown in Figure 1-1. (Phase II-Q)³ is also shown in Figure 1-1.

¹ Phase II Reported Gross Savings = Phase II Reported Gross Savings from the beginning of Phase II through the end of the current quarter. All savings reported as Phase II reported gross savings are computed this way.

² Phase II-Q-CO Gross Savings = Phase II verified gross savings from the beginning of Phase II, including verified Carry Over Savings from Phase I + PYTD reported gross savings

³ Phase II-Q Gross Savings = CPITD Verified Gross Savings from the beginning of Phase II + PYTD Reported Gross Savings. This excludes Phase I carry-over savings. All savings reported as Phase II-Q gross savings are computed this way. Phase II Verified Gross Savings will be reported in the annual report. For the first program year of Phase II (Program Year 5), Phase II-Q Savings and Phase II Reported Gross Savings will be the same, as no savings will be verified for Phase II until November, after the end of Program Year 5.

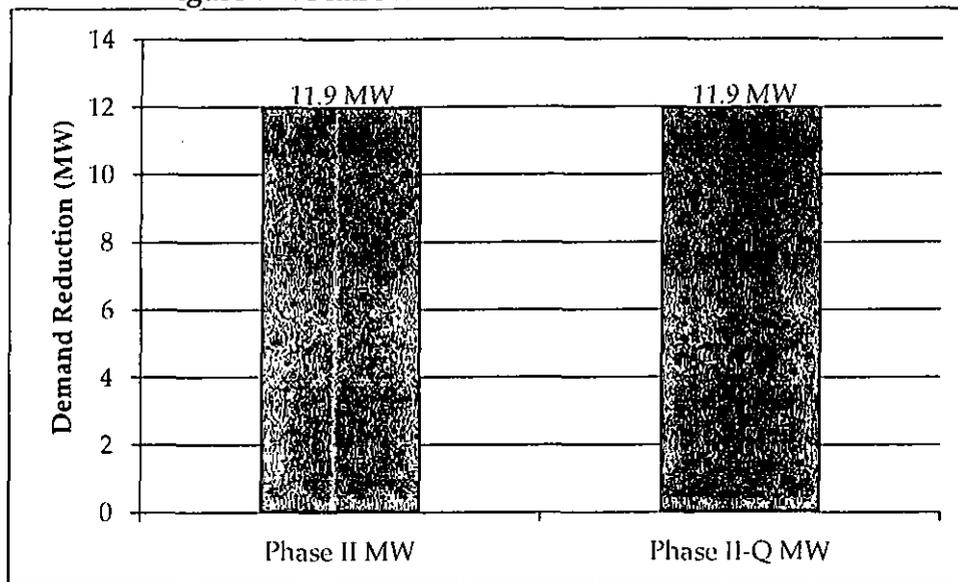
Figure 1-1: Cumulative Portfolio Phase 2 Inception to Date (Phase II) Energy Impacts⁴



⁴ Phase II-CO is the cumulative program/portfolio savings from the inception of Phase II to date, including carry-over savings from Phase I while Phase II-Q-CO is the verified gross savings from the beginning of Phase II + verified carry-over savings from Phase I + PYTD reported gross savings.

PECO has achieved 11.9 MW of demand reduction through the end of PY5Q3⁵, as shown in Figure 1-2.

Figure 1-2: Phase II Portfolio Demand Reduction⁶⁷



There are 18 measures available to the low-income sector at no cost to the customer. These measures offered to the low-income sector therefore comprise 14 percent of the total measures offered. This exceeds the Phase II goal, which is the fraction of the electric consumption of the utility’s low-income households divided by the total electricity consumption in the PECO territory by (8.8 percent).⁸ The Phase II reported gross energy savings achieved in the low-income sector is 6,886 MWh/year; this is 10 percent of the Phase II total portfolio reported gross energy savings. This exceeds the percentage required (4.5 percent) of the Phase II goal.

⁵ Unlike Phase I, there is no compliance target for demand reduction in Phase II.

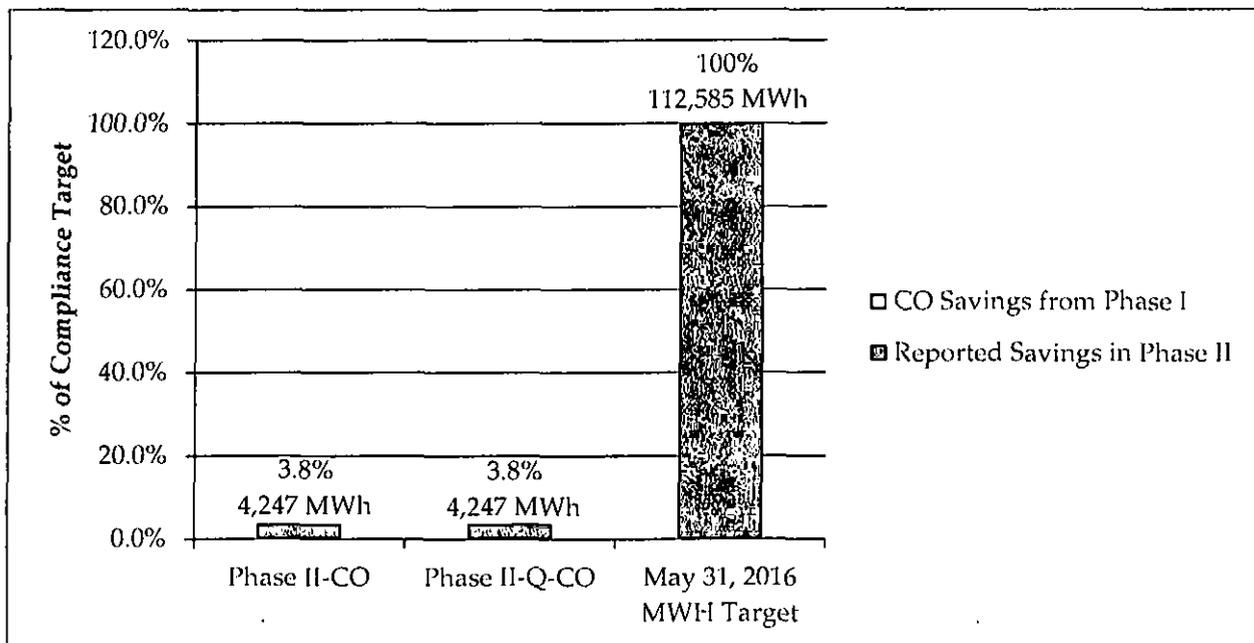
⁶ Phase II MW = Phase II demand savings to date.

⁷ Phase II-Q MW = Phase II verified gross demand savings from the beginning of Phase II + PYTD reported gross demand savings.

⁸ Act 129 includes a provision requiring electric distribution companies to offer a number of energy efficiency measures to low-income households that are “proportionate to those households’ share of the total energy usage in the service territory.” 66 Pa.C.S. §2806.1(b)(i)(G).

PECO achieved 3.8 percent of the May 31, 2016 energy reduction compliance target for the GNI sector, based on Phase II reported gross energy savings, and 3.8 percent of the target based on Phase II-Q-CO (or Phase II-CO until verified savings are available for PY5) gross energy savings achieved through Q3, as shown in Figure 1-3. *Note that the energy savings values presented for the GNI sector in this report do not include carry-over savings from Phase I. PECO expects to report carry-over savings allocated to the GNI sector in its PY5 Annual Report.*

Figure 1-3: Government, Nonprofit, and Institutional Sector



1.3 Program Updates and Findings

- Smart Appliance Recycling (SAR) Program:** The SAR program overall continued to show strong participation under a higher PY5 incentive level, compared to PY4. Activity decreased in Q3 compared to Q2, which the program manager attributes to the particularly harsh winter experienced this year. The residential component was down by 31 percent and the non-residential component (under the Smart Equipment Incentives [SEI] program) was down by 50 percent. However, compared to PY4 Q3, the PY5 Q3 program recycled almost two and a half times the number of units for the same period, with 1,310 residential units and 10 non-residential. PY5 Q1 had approximately 1,700 participants, while Q2 participation increased to 2,328.

- **Smart Home Rebates Program:** In the third quarter of Phase II, Smart Home Rebate lighting measures produced 94 percent of the program’s energy savings and 69 percent of its demand savings (as opposed to 93 percent and 62 percent, respectively, in the second quarter). Non-lighting measures produced the remaining 6 percent of energy savings and 31 percent of demand.

The lighting component of Smart Home Rebates has increased substantially compared with Phase I, with the absorption of standard and specialty compact fluorescent lamp (CFL) sales that were formerly incentivized under Smart Lighting Discounts. Bulb sales for PY5 Q3 were 621,751, which is about equal with the PY5 Q2 sales (622,175). The combined sales for the first three quarters of PY5 are 1,560,666, and bulb sales for all of PY5 are projected at approximately 2.3 million bulbs. As such, sales are expected to increase in the remaining quarters of PY5. The program is focused predominantly on standard twist CFLs (65 percent), but with additional emphasis on specialty CFLs (15 percent) and light-emitting diodes (LEDs; 20percent) as well.

Heating, ventilating, and air-conditioning (HVAC) measures constituted 90 percent of non-lighting energy savings and 96 percent of non-lighting demand savings, while constituting 89 percent of total non-lighting installations. Air source heat pumps and central air conditioners constituted the majority of HVAC energy and demand savings. ENERGY STAR room air conditioners constituted the majority of demand savings from appliances, while heat pump water heaters supplied the majority of energy savings. New measures appearing this quarter were variable speed pool pumps and three fuel switching measures: electric heat to gas heat, domestic hot water electric to gas, and electric to natural gas clothes dryers. PECO did not rebate consumer electronics in this quarter.

- **Smart House Call Program:** This program was launched in PY5 at the start of Phase II for the residential sector. Although there were zero participants in PY5 Q1, there were 173 participants in PY5 Q2, and 271 additional participants in PY5 Q3. Reported energy savings in PY5 Q3 are 202,943 kWh and peak demand savings are 14.3 kW. Out of the 271 new participants, 106 received assessments and the remaining 165 received audits. Measures installed to date include electric water heater pipe insulation; ENERGY STAR CFLs, LEDs, and LED nightlights; low flow faucet aerators and showerheads; and smart strip plug outlets. Verbal communication with the program manager indicates that a number of participants have also installed “major measures,” such as Air Source Heat Pump Maintenance, Ceiling/Attic and Wall Insulation, and Air Sealing, but savings from these measures are still being tested and formalized and will not be reflected in program tracking data until PY5 Q4. The program design is expected to remain as detailed in the approved Phase II EE&C Plan, using a two-tier approach, with a general walk-through

assessment available to all PECO residential electric customers and a more comprehensive audit available only to PECO residential electric heat rate customers.

- **Smart Builder Rebates Program:** ICF and PECO spent Q3 preparing the tracking system and energy modeling software for program launch. The program was launched in February, although the program staff is still working on the submission of data into SIDS and invoices into the Electronic Data Interchange (EDI) system.
- **Smart Energy Saver Program:** In the third quarter of PY5, the PECO Smart Energy Saver program implementer, Resource Action Programs (RAP), completed distribution of all PY5 full and slimmed down kits to participating classrooms. RAP also continued working with teachers to collect completed surveys from the participating students and parents.
- **Smart Usage Profile (SUP) Program:** This program is a residential behavior program. In Q1, the Implementation Contractor (IC) implemented a Randomized Controlled Trial by randomly allocating eligible households to a participant group of 44,800 households and a control group of 28,000 households. There are no plans for additional participants in PY5. Participants continued to receive Home Energy Reports during Q3.
- **Smart Multifamily Solutions Program:** This Phase II program for the residential, C&I, and GNI sectors has incurred an expenditure of \$1.24M resulting from direct installation services through PY5 Q3. In this quarter, the Smart Multifamily (SMF) Solutions program processed incentives for a total of 1,521 participants covering the residential sector (1,457 participants), C&I sector (58 participants), and GNI sector (6 participants). The program claimed a reported total of 1,592 MWh of energy savings with 0.1 MW of demand reduction this quarter. The evaluation team is currently working with the program management staff to provide early feedback on the measure level savings calculation methodologies.
- **Low-Income Energy Efficiency Program:** Participation remains at levels similar to Q1 and Q2, with 1,999 participants receiving audits as part of Component 1. The large majority of the audits were electric baseload audits. As part of Component 2, 2,888 bulbs were installed in Low-Income Usage Reduction program (LIURP) participants' homes, slightly down from Q2. As part of Component 3, 47,506 bulbs were distributed to low-income customers, a decrease from Q2. As part of Component 4, 781 refrigerators were replaced and 16 extra units were removed.

The majority of program savings accrue from Component 3 measures, which account for 56 percent of program energy savings and 43 percent of program demand savings. The

remaining savings are broken out across the other components as follows: Component 1 accounts for 27 percent of energy savings and 31 percent of demand savings; Component 2 accounts for 3 percent of energy savings and 3 percent of demand savings; and Component 4 accounts for 14 percent of energy savings and 24 percent of demand savings.

- **Smart Equipment Incentives Commercial and Industrial Program:** A total of 84 retrofit projects received rebates from the SEI C&I program in PY5 Q3. This brings the total of projects that have received rebates in PY5 Q1, Q2, and Q3 to 155. This total is similar to the number of projects incentivized in the first three quarters of PY4, but the total savings in PY5 is about one third of the savings reported in the first three quarters of PY4. Therefore, the PY5 projects have been smaller on average than those in PY4 have been. PY5 is the first year in the Phase II cycle and the program has seen a slower launch than expected following a wait-list status in Phase I.
- **Smart Construction Incentives (SCI) Program:** The SCI program incentivized nine C&I and four GNI projects in the third quarter of PY5. This brings the total participation for the first three quarters of PY5 to 13 C&I projects and four GNI projects. The low participation is likely due to the longer lead time of new construction projects. In addition, PY5 is the first year in the Phase II cycle and the program has seen a slower launch than expected following a pause in program marketing activities that has since been lifted. The program also no longer accepts completed projects for retroactive application.
- **Smart Business Solutions (SBS) Program:** The SBS program continued to ramp up in Q3 and, as of the close of the quarter, was operating at or near full capacity. The 109 retrofits completed in Q3 represent nearly 3,000 annual MWh and 0.6 MW of demand reduction.
- **Smart On-Site (SOS) Program:** The SOS program is a new program in PY5, but it is a spin-off of PECO's SEI program that focuses exclusively on CHP systems. By segregating CHP projects from other SEI projects, PECO can offer a different incentive structure that will help to reduce free ridership. This program is implemented by the same Conservation Service Provider (CSP) as the SEI program and utilizes the same tracking system. As such, the program was up and running as Phase II began. As of the end of Q3, two SOS projects were commercially operable; however, data collection necessary to estimate energy and demand savings has not yet been completed. PECO anticipates reporting savings for both of these projects in PY5 Q4.

- **Smart Equipment Incentives Government, Nonprofit, and Institutional Program:** A total of 32 retrofit projects received rebates from the SEI GNI program in PY5 Q3. This brings the total of projects that have received rebates in PY5 Q1, Q2, and Q3 to 46. These values are lower than in previous years; however, PY5 is the first year in the Phase II cycle and the program has seen a slower launch than expected following a wait-list status in Phase I.
- **Residential Smart A/C [Air-Conditioning] Saver Program:** The Residential Smart A/C Saver program had 73,914 registered participants representing 85,942 devices at the end of PY5 Q3. The Residential Smart A/C Saver Program was inactive during the months of January through March and will remain inactive until the 2014 cooling season begins June 1, 2014.
- **Commercial Smart A/C Saver Program:** The Commercial Smart A/C Saver program had 2,038 registered participants representing 3,591 devices at the end of PY5 Q3. The Commercial Smart A/C Saver Program was inactive during the months of January through March and will remain inactive until the 2014 cooling season begins June 1, 2014.

1.4 Evaluation Updates and Findings

- **Smart Appliance Recycling Program:** Development continued on the participant survey, with particular attention on refining the Common Approach for net-to-gross (NTG), thorough direct discussion with the SWE and other EDC stakeholders and review and revision of the Common Approach memo. The survey draft will be completed in early PY4 for review by PECO and the SWE and for implementation.
- **Smart Home Rebates Program:** The measurement and verification (M&V) completed for the PY5 Q3 report consisted of interviews of PECO program staff and the implementation contractor (Ecova). The Navigant team also initiated in-store surveys regarding lighting measures at participating retail establishments. These surveys will continue into Q4. The Navigant team has reviewed all manufacturer invoices received and approved by PECO and Ecova through the end of February 2014. After confirming consistency between the manufacturer invoices and the program tracking data, Navigant used the tracking data to verify the reported PY5 Q3, program year-to-date (PYTD), and Phase II savings.
- **Smart House Call Program:** The M&V completed for the PY5 Q3 report consisted of reviewing the tracking data provided to the evaluation team by PECO program staff, as well as reviewing all invoices from the CSP received and approved by PECO for labor

and on-site audit and assessment costs through the end of March 2014. After confirming consistency between the CSP invoices and the program tracking data, Navigant used the tracking data to verify the reported PY5 Q3, PYTD, and Phase II savings.

- **Smart Builder Rebates Program:** There were no M&V activities completed for PY5 Q3 as the program has yet to certify any new homes. Navigant worked with ICF and PECO program staff to scope out data to be collected from program participants for savings calculations. Navigant also worked with ICF and PECO staff to review program documentation to incorporate evaluation data needs into the tracking system design.
- **Smart Energy Saver:** Third quarter PY5 evaluation activities included: bi-weekly check in meetings with staff, staff and implementer interviews, a review of the program materials, and development of a draft program theory and logic model. Navigant also gained approval from PECO and the SWE for revisions to its process evaluation plan; Navigant will now conduct an online survey, rather than phone interviews, to obtain feedback from teachers.
- **Smart Usage Profile Program:** The M&V completed for PY5 Q3 consisted of reviewing the invoice data provided to the evaluation team by PECO program staff. Navigant interviewed the program manager and program implementer and began development of the Program Theory and Logic Model. Annual savings for PY5 participants will be reported in Q4. Behavior programs such as SUP are assumed to have a one-year measure life. Savings that accrue to this program will be reported and verified each year, but will decay to zero at the completion of the program year. Therefore, savings achieved in PY7 will count towards compliance targets, while savings achieved in PY5 and PY6 will not.
- **Smart Multifamily Solutions Program:** The evaluation team has completed the sample design for projects through Q2 for the three evaluated sectors; the evaluation team will conduct similar sampling efforts for the Q3 projects to achieve an 85/15 or better level of confidence and relative precision at the program level. As part of the gross impact evaluation activities for PY5, the team plans to complete an engineering review of project files, tracking data, and the algorithms and assumptions used by the Implementation CSP for the sampled projects. The interview guides for in-depth interviews with PECO and CSP personnel are currently being developed. These interviews are planned to be completed by April to assess the effectiveness of the program and to identify any barriers or potential improvements to the program implementation.

- **Low-Income Energy Efficiency Program:** The M&V completed for PY5 Q3 consisted of reviewing the tracking data provided to the evaluation team by PECO program staff. Additionally the evaluation team provided a memorandum with findings and recommendations from accompanying the implementer during 10 audits during Q2 and conducted in-depth interviews with the PECO program manager and CSP staff. Upcoming tasks include a review of the tracking system and preparation for the participant phone survey.
- **Smart Equipment Incentives Commercial and Industrial Program:** The evaluation of the SEI C&I program will align closely with the PY4 evaluation in terms of approaches and tasks. The team completed an initial sample design based on Q1 and Q2 completed project files as well as available pipeline project information. The sample was designed to achieve an 85/15 or better level of confidence and relative precision at the program level. A total of 10 projects are being evaluated. The team requested Q1 and Q2 project files from PECO and DNV GL and is in the process of reviewing the files and drafting site-specific M&V plans. The team is planning to begin field verification in March 2014. The team will also review the sample design with Q3 data and updated pipeline project information. The team has conducted in-depth interviews with PECO/DNV GL personnel to assess the effectiveness of the program and to identify any barriers or potential improvements to the program implementation. Participant interview guides have been designed and are being programmed into an online tool, and contractor focus groups are planned to be completed by late June or early July 2014.
- **Smart Construction Incentives Program:** The SCI program evaluation activities for PY5 began in Q3 with a review of program documentation. The evaluation team also conducted in-depth interviews with PECO and DNV GL program staff to assess program effectiveness and identify any barriers or potential improvements to the program implementation. The PY5 impact evaluation will begin in March 2014 with a sample design based on Q1, Q2, and Q3 project data that achieves an 85/15 or better level of confidence and relative precision at the program level. The evaluation team plans to begin field verification in May 2014. The team will conduct the next process and NTG evaluations in PY6.
- **Smart Business Solutions Program:** Evaluation activity during PY5 Q3 consisted of bi-weekly telephone conversations with the program manager, an engineering review of all Q2 energy and demand savings values, and an in-depth review of a sample of ten project files to verify equipment types and quantities, wattages and other parameters recorded in the project-tracking database. This review identified a few minor issues, such as a slight error in replacement wattage for one fixture type. Navigant presented the findings of its review to PECO and the CSP, and the CSP has addressed all identified

issues. All indications are that this program has had a very successful launch, is being implemented and managed competently, and is making steady progress towards achieving its MWh goal.

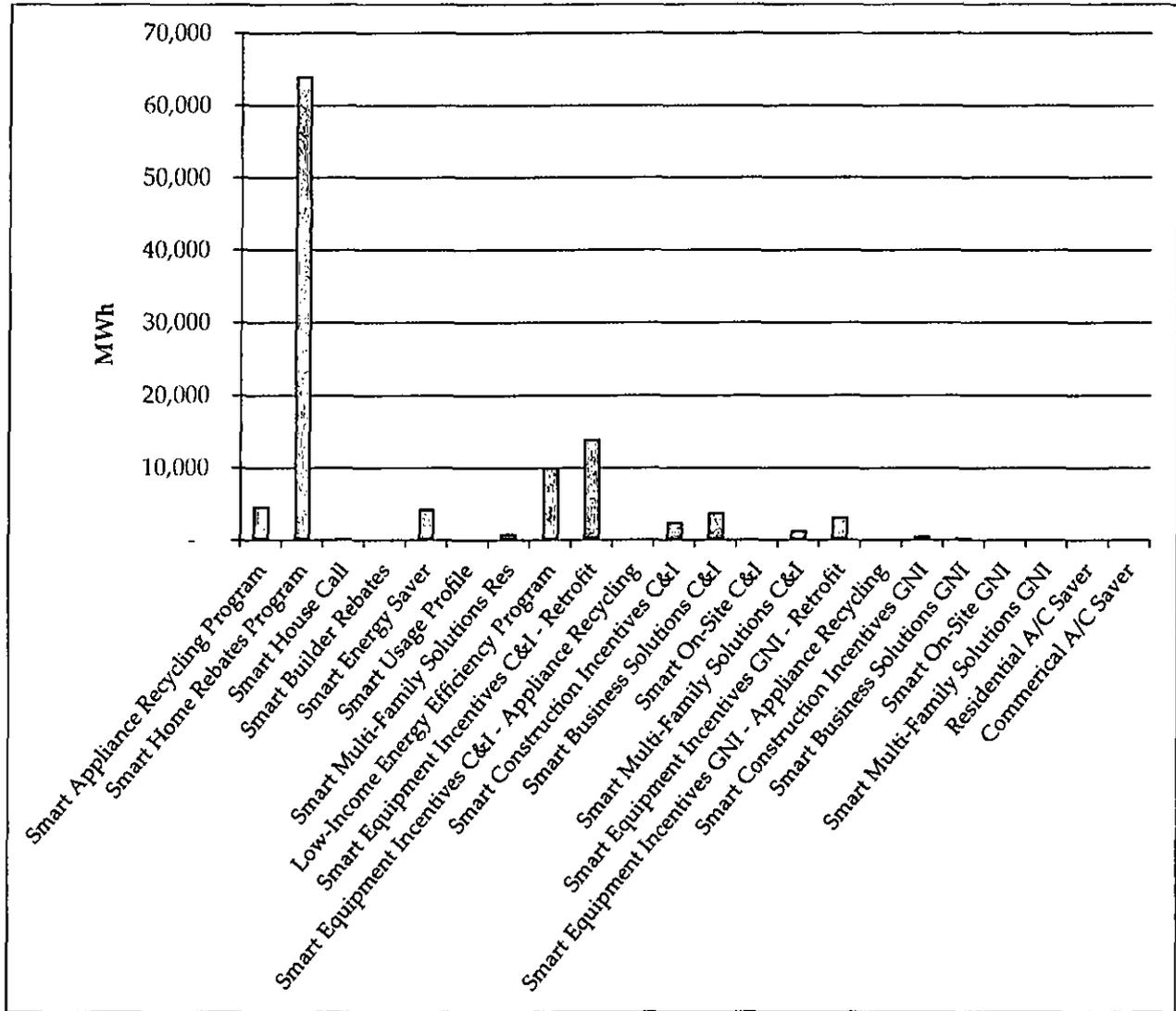
- **Smart On-Site Program:** Evaluation activity during PY5 Q3 consisted of monthly discussions with the program manager regarding the status of projects currently under construction and the current list of pipeline projects. The evaluator also reviewed project files for the two commercially operable systems and began preparations for site visits for these two projects. Site visits are anticipated for both in April 2014.
- **Smart Equipment Incentives Government, Nonprofit, and Institutional Program:** The evaluation of the SEI GNI program will align closely with the PY4 evaluation in terms of approaches and tasks. The team completed an initial sample design based on Q1 and Q2 completed project files as well as available pipeline project information. The sample was designed to achieve an 85/15 or better level of confidence and relative precision at the program level. A total of five projects, including one municipal lighting project, are being evaluated. The team requested Q1 and Q2 project files from PECO/DNV GL and is in the process of reviewing the files and drafting site-specific M&V plans. The team is planning to begin field verification in March 2014. The team will also review the sample design with Q3 data and updated pipeline project information. The team has conducted in-depth interviews with PECO/DNV GL personnel to assess the effectiveness of the program and to identify any barriers or potential improvements to the program implementation. Participant interview guides have been designed and are being programmed into an online tool, and contractor focus groups are planned to be completed by late June or early July 2014.
- **Residential and Commercial Smart A/C Saver Programs:** The Residential and Commercial Smart A/C Saver programs have completed the PY5 cooling season. PECO planned fewer conservation events in PY5 compared to PY4, and likely will call a similar number of events during the PY6 cooling season. Both the Residential and Commercial Smart A/C Saver programs continue to have reductions in their respective participant counts that can be attributed to normal attrition due to moves, business closures, etc. Since the end of the PY4 cooling season, PECO has ceased recruiting new participants into the program until the program ramps up again in June of 2014.

While PECO filled the vacated program manager position the evaluation activities have been hampered by the severe winter weather of 2013. The Navigant team anticipates it will collect information on verification and due diligence procedures during in-depth interviews with PECO and implementation contractor staff before the launch of the program in PY6.

2 Summary of Energy Impacts by Program

A summary of the reported energy savings by program through the third quarter of Phase II is presented in Figure 2-1.

Figure 2-1: Phase II Reported Gross Energy Savings by Program



A summary of energy impacts by program through the third quarter of PY5 is presented in Table 2-1.

Table 2-1: EDC Reported Participation and Gross Energy Savings by Program (MWh/Year)

Program	Participants			Reported Gross Impact (MWh/Year)			
	IQ	PYTD	Phase II	IQ	PYTD	Phase II	Phase II-Q
Residential	11,425	30,293	30,293	28,181	74,456	74,456	74,456
Smart Appliance Recycling Program	1,310	5,334	5,334	1,177	4,752	4,752	4,752
Smart Home Rebates Program ²	2,443	9,223	9,223	25,469	64,148	64,148	64,148
Smart House Call	271	444	444	203	329	329	329
Smart Builder Rebates	0	0	0	0	0	0	0
Smart Energy Saver	5,944	12,662	12,662	855	4,315	4,315	4,315
Smart Usage Profile	0	0	0	0	0	0	0
Smart Multifamily Solutions Res ¹	1,457	2,630	2,630	477	912	912	912
Low-Income Energy Efficiency Program Total³	1,999	6,886	6,886	3,436	10,072	10,072	10,072
Low-Income Energy Efficiency Program	1,999	6,886	6,886	3,436	10,072	10,072	10,072
Non-Residential	311	514	514	13,289	25,905	25,905	25,905
Commercial and Industrial Total	264	450	450	9,950	21,658	21,658	21,658
Smart Equipment Incentives C&I - Retrofit	84	155	155	4,985	13,988	13,988	13,988
Smart Equipment Incentives C&I - Appliance Recycling	9	30	30	9	29	29	29
Smart Construction Incentives C&I	9	13	13	1,225	2,480	2,480	2,480
Smart Business Solutions C&I	104	171	171	2,735	3,807	3,807	3,807
Smart On-Site C&I	0	0	0	0	0	0	0
Smart Multifamily Solutions C&I ⁴	58	81	81	997	1,353	1,353	1,353
Government / Nonprofit Total	47	64	64	3,339	4,247	4,247	4,247
Smart Equipment Incentives GNI - Retrofit	32	46	46	2,394	3,266	3,266	3,266
Smart Equipment Incentives GNI - Appliance Recycling	0	0	0	0	0	0	0
Smart Construction Incentives GNI	4	4	4	572	572	572	572
Smart Business Solutions GNI	5	6	6	255	274	274	274
Smart On-Site GNI	0	0	0	0	0	0	0
Smart Multifamily Solutions GNI ⁴	6	8	8	118	135	135	135
Demand Reduction	-868	75,952	75,952	0	0	0	0
Residential A/C Saver ⁵	-825	73,914	73,914	0	0	0	0
Commercial A/C Saver ⁵	-43	2,038	2,038	0	0	0	0
Total Portfolio	12,867	113,645	113,645	44,906	110,432	110,432	110,432
Carry-Over Savings from Phase I							242,793
Total Phase II-Q-CO							353,225

NOTES:

¹ Preliminary Realization Rates are based on evaluation activities and findings conducted on a partial sample set. These realization rates are not based on a statistically significant sample and are subject to change until the full evaluation is complete at the end of

the program year

²Participant values exclude sales of CFLs, ENERGY STAR lighting fixtures and LED lamps, for which upstream rebates are provided.

³Act 129 includes a provision requiring EDCs to offer a number of energy efficiency measures to low-income households that are “proportionate to those households’ share of the total energy usage in the service territory.” 66 Pa.C.S. §2806.1(b)(i)(G). The legislation contains no provisions regarding targets for participation, or energy or demand savings. Participation includes only those receiving the Weatherization Audit.

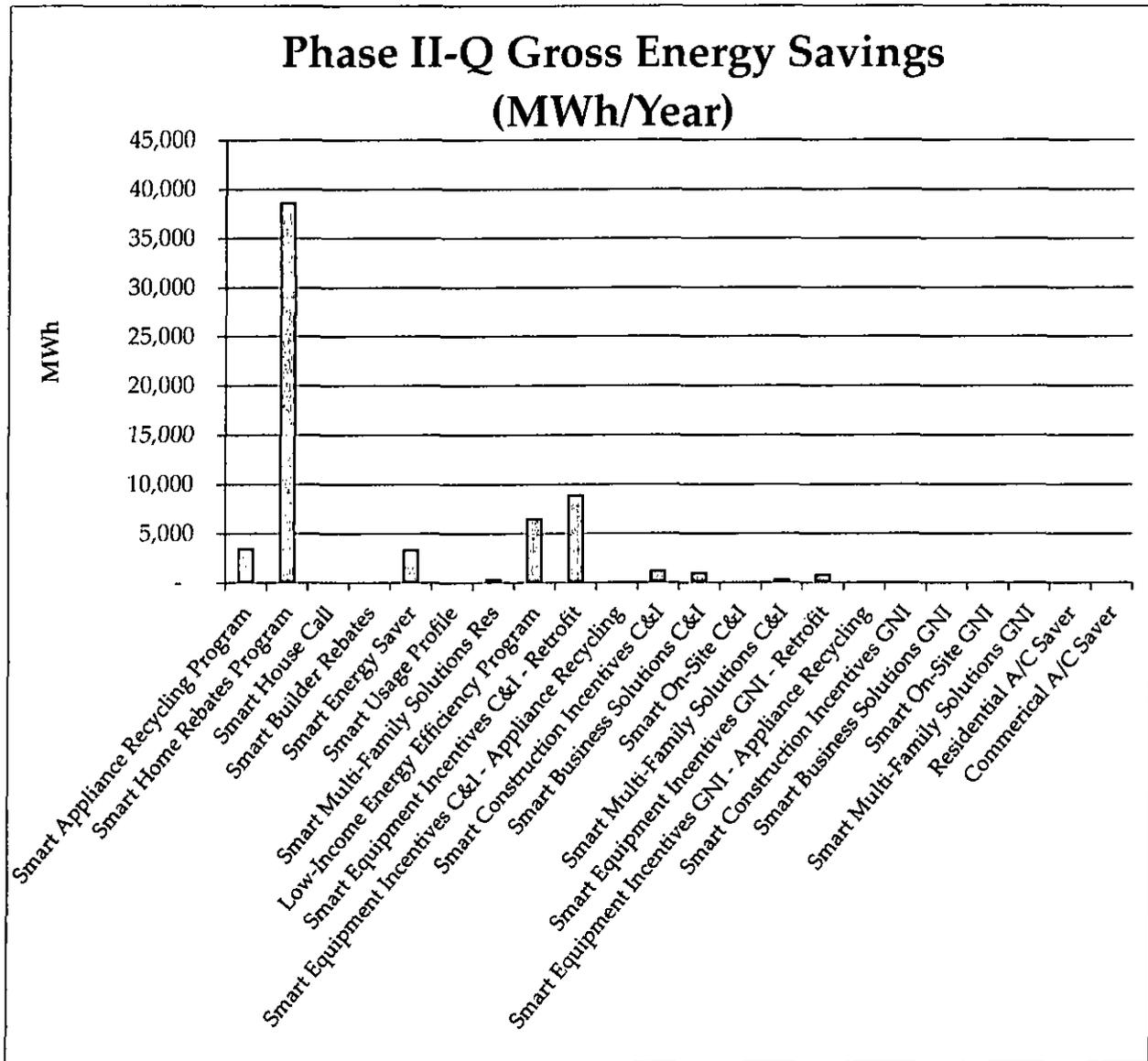
⁴The participation values shown here reflect the number of project IDs reported in the tracking data, rather than the number of billing account IDs. The values reported here better reflect the number of participating households, rather than the number of multifamily buildings in which the participants live.

⁵Reductions in the participant rate for both the Residential and Commercial Smart A/C Saver programs can be attributed to normal participant attrition due to moves, business closures, etc. in the absence of concerted recruitment of new participants by PECO.

3 Summary of Demand Impacts by Program

A summary of the reported demand reduction by program through the third quarter of Phase II is presented in Figure 3-1.

Figure 3-1: Phase II Demand Reduction by Program



A summary of total demand reduction impacts by program through PY5 Q3 is presented in Table 3-1. Note that all demand reduction values have been adjusted to account for line losses.

Table 3-1. Participation and Reported Gross Demand Reduction by Program

Program	Participants			Reported Gross Impact (MW)			
	IQ	PYTD	Phase II	IQ	PYTD	Phase II	Phase II-Q
Residential	11,425	30,293	30,293	2.3	6.8	6.8	6.8
Smart Appliance Recycling Program	1,310	5,334	5,334	0.2	0.6	0.6	0.6
Smart Home Rebates Program ²	2,443	9,223	9,223	2.0	5.7	5.7	5.7
Smart House Call	271	444	444	0.0	0.0	0.0	0.0
Smart Builder Rebates	0	0	0	0.0	0.0	0.0	0.0
Smart Energy Saver	5,944	12,662	12,662	0.0	0.3	0.3	0.3
Smart Usage Profile	0	0	0	0.0	0.0	0.0	0.0
Smart Multifamily Solutions Res	1,457	2,630	2,630	0.0	0.1	0.1	0.1
Low-Income Energy Efficiency Program Total³	1,999	6,886	6,886	0.2	0.7	0.7	0.7
Low-Income Energy Efficiency Program	1,999	6,886	6,886	0.2	0.7	0.7	0.7
Non-Residential	311	514	514	2.4	4.6	4.6	4.6
Commercial and Industrial Total	264	450	450	1.8	3.9	3.9	3.9
Smart Equipment Incentives C&I - Retrofit	84	155	155	1.0	2.6	2.6	2.6
Smart Equipment Incentives C&I - Appliance Recycling	9	30	30	0.0	0.0	0.0	0.0
Smart Construction Incentives C&I	9	13	13	0.2	0.4	0.4	0.4
Smart Business Solutions C&I	104	171	171	0.5	0.8	0.8	0.8
Smart On-Site C&I	0	0	0	0.0	0.0	0.0	0.0
Smart Multifamily Solutions C&I ⁴	58	81	81	0.1	0.1	0.1	0.1
Government / Nonprofit Total	47	64	64	0.6	0.7	0.7	0.7
Smart Equipment Incentives GNI - Retrofit	32	46	46	0.5	0.6	0.6	0.6
Smart Equipment Incentives GNI - Appliance Recycling	0	0	0	0.0	0.0	0.0	0.0
Smart Construction Incentives GNI	4	4	4	0.0	0.0	0.0	0.0
Smart Business Solutions GNI	5	6	6	0.1	0.1	0.1	0.1
Smart On-Site GNI	0	0	0	0.0	0.0	0.0	0.0
Smart Multifamily Solutions GNI ⁴	6	8	8	0.0	0.0	0.0	0.0
Demand Reduction	-868	75,952	75,952	0.0	0.0	0.0	0.0
Residential A/C Saver ⁵	-825	73,914	73,914	0.0	0.0	0.0	0.0
Commercial A/C Saver ⁵	-43	2,038	2,038	0.0	0.0	0.0	0.0
Total Portfolio	12,867	113,645	113,645	4.9	12.0	12.0	12.0

NOTES:

¹ Preliminary Realization Rates are based on evaluation activities and findings conducted on a partial sample set. These realization rates are not based on a statistically significant sample and are subject to change until the full evaluation is complete at the end of the program year

² Participant values exclude sales of CFLs, ENERGY STAR lighting fixtures and LED lamps, for which upstream rebates are provided.

³Act 129 includes a provision requiring EDCs to offer a number of energy efficiency measures to low-income households that are “proportionate to those households’ share of the total energy usage in the service territory.” 66 Pa.C.S. §2806.1(b)(i)(G). The legislation contains no provisions regarding targets for participation, or energy or demand savings. Participation includes only those receiving the Weatherization Audit.

⁴The participation values shown here reflect the number of bill account IDs in the tracking system, rather than the number of project IDs. For the residential sector, each unit has a unique billing ID. For the Commercial and GNI sector, there may be more than one unit under a single bill account ID (master meter) at the multifamily property.

⁵Reductions in the participant rate for both the Residential and Commercial Smart A/C Saver programs can be attributed to normal participant attrition due to moves, business closures, etc. in the absence of concerted recruitment of new participants by PECO.

4 Summary of Finances

4.1 Portfolio Level Expenditures

A breakdown of the portfolio finances is presented in Table 4-1.

Table 4-1: Summary of Portfolio Finances

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$3,380	\$14,848	\$14,848
EDC Incentives to Trade Allies	\$26	\$26	\$26
Subtotal EDC Incentive Costs	\$3,406	\$14,874	\$14,874
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ^[1]	\$6,034	\$20,292	\$20,292
Marketing	\$1,135	\$3,096	\$3,096
Subtotal EDC Implementation Costs	\$7,169	\$23,389	\$23,389
EDC Evaluation Costs	\$305	\$1,123	\$1,123
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs^[2]	N/A	N/A	N/A
Participant Costs^[3]	N/A	N/A	N/A
Total TRC Costs^[4]	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

4.2 Program Level Expenditures

Program-specific finances are shown in the following tables.

Table 4-2: Summary of Program Finances – Smart Appliance Recycling Program

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$48	\$197	\$197
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$48	\$197	\$197
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$129	\$493	\$493
Marketing	\$8	\$14	\$14
Subtotal EDC Implementation Costs	\$137	\$507	\$507
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
⁽¹⁾ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
⁽²⁾ Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
⁽³⁾ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁽⁴⁾ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-3: Summary of Program Finances – Smart Home Rebates Program

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$1,871	\$4,866	\$4,866
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$1,871	\$4,866	\$4,866
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$858	\$2,595	\$2,595
Marketing	\$10	\$16	\$16
Subtotal EDC Implementation Costs	\$868	\$2,611	\$2,611
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
<i>¹Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance</i>			
<i>²Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.</i>			
<i>³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.</i>			
<i>⁴ Total TRC Costs = Total EDC Costs + Participant Costs</i>			

Table 4-4: Summary of Program Finances – Smart House Call

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$0
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$388	\$1,197	\$1,197
Marketing	\$2	\$28	\$28
Subtotal EDC Implementation Costs	\$390	\$1,226	\$1,226
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-5: Summary of Program Finances – Smart Builder Rebates

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$0
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$0	\$0	\$0
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$0	\$0	\$0
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-6: Summary of Program Finances – Smart Energy Saver

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$0
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ^[1]	\$104	\$408	\$408
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$104	\$408	\$408
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs^[2]	N/A	N/A	N/A
Participant Costs^[3]	N/A	N/A	N/A
Total TRC Costs^[4]	N/A	N/A	N/A
NOTES			
Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-7: Summary of Program Finances – Smart Usage Profile

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$0
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$73	\$562	\$562
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$73	\$562	\$562
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-8: Summary of Program Finances – Low-Income Energy Efficiency Program

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$0
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$1,680	\$4,191	\$4,191
Marketing	\$31	\$45	\$45
Subtotal EDC Implementation Costs	\$1,712	\$4,235	\$4,235
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-9: Summary of Program Finances – Smart Equipment Incentives C&I

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$418	\$1,132	\$1,132
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$418	\$1,132	\$1,132
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$1,063	\$3,182	\$3,182
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$1,063	\$3,182	\$3,182
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance for the SEI retrofit and appliance recycling programs.			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-10: Summary of Program Finances – Smart Construction Incentives C&I

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$173	\$285	\$285
EDC Incentives to Trade Allies	\$26	\$26	\$26
Subtotal EDC Incentive Costs	\$199	\$311	\$311
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$254	\$764	\$764
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$254	\$764	\$764
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-11: Summary of Program Finances – Smart Business Solutions C&I and GNI

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$0
EDC Implementation Costs			
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$517	\$747	\$747
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$518	\$747	\$747
EDC Evaluation Costs			
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance for both the S&S C&I and GNI programs.			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-12: Summary of Program Finances – Smart On-Site

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$601	\$601	\$601
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$601	\$601	\$601
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$87	\$254	\$254
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$87	\$254	\$254
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance for both the SOS C&I and CNI programs.			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-13: Summary of Program Finances –Smart Multifamily Solutions C&I and GNI

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$0
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	\$290	\$635	\$635
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$290	\$635	\$635
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance for both the Smart Multifamily Solutions C&I and GNI programs.			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-14: Summary of Program Finances –Smart Multifamily Solutions Residential

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$0
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ^[1]	\$219	\$583	\$583
Marketing	\$11	\$11	\$11
Subtotal EDC Implementation Costs	\$230	\$593	\$593
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs^[2]	N/A	N/A	N/A
Participant Costs^[3]	N/A	N/A	N/A
Total TRC Costs^[4]	N/A	N/A	N/A
NOTES			
Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.			
¹ Includes the administrative CSP (rebate processing), direct installation services, tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-15: Summary of Program Finances – Smart Equipment Incentives GNI

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$267	\$401	\$401
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$267	\$401	\$401
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ^[1]	\$635	\$1,901	\$1,901
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$635	\$1,901	\$1,901
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs^[2]	N/A	N/A	N/A
Participant Costs^[3]	N/A	N/A	N/A
Total TRC Costs^[4]	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
^[1] Includes the administrative CSP (rebate processing), direct installation services, tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance for the SEI GNI - Retrofit, SEI GNI – Appliance Recycling, and SCI GNI programs.			
^[2] Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
^[3] Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
^[4] Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-16: Summary of Program Finances – Residential A/C Saver Program

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$1	\$7,052	\$7,052
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$1	\$7,052	\$7,052
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ⁽¹⁾	-\$471	\$136	\$136
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	-\$471	\$136	\$136
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs⁽²⁾	N/A	N/A	N/A
Participant Costs⁽³⁾	N/A	N/A	N/A
Total TRC Costs⁽⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
² Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴ Total TRC Costs = Total EDC Costs + Participant Costs			

Table 4-17: Summary of Program Finances – Commercial A/C Saver Program

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$314	\$314
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$314	\$314
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ¹⁾	\$0	\$0	\$0
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$0	\$0	\$0
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs²⁾	N/A	N/A	N/A
Participant Costs³⁾	N/A	N/A	N/A
Total TRC Costs⁴⁾	N/A	N/A	N/A
NOTES			
<i>Per PUC direction, TRC inputs and calculations are required in the Annual Report only and should comply with the 2013 Total Resource Cost Test Order approved August 30, 2012.</i>			
¹⁾ Includes the administrative CSP (rebate processing), tracking system, general administration and clerical costs, EDC program management, CSP program management, general management oversight major accounts and technical assistance			
²⁾ Per the 2013 Total Resource Cost Test Order – Total EDC Costs, here, refer to EDC incurred expenses only. Total EDC Costs = Subtotal EDC Incentive Costs + Subtotal EDC Implementation Costs + EDC Evaluation Costs + SWE Audit Costs.			
³⁾ Per the 2013 Total Resource Cost Test Order –Net participant costs; in PA, refer to the costs of the end-use customer.			
⁴⁾ Total TRC Costs = Total EDC Costs + Participant Costs			

From: (215) 841-5776
 Anna Migliaccio
 Exelon
 2301 Market Street S15-2
 Philadelphia, PA 19103

Origin ID: REDA



Ship Date: 15APR14
 ActWgt: 2.0 LB
 CAD: 9876187/INET3490

Delivery Address Bar Code



SHIP TO: (717) 772-7777

BILL SENDER

Rosemary Chiavetta, Secretary
 Pa Public Utility Commission
 400 NORTH ST FL 2
 COMMONWEALTH KEYSTONE BLDG
 HARRISBURG, PA 17120

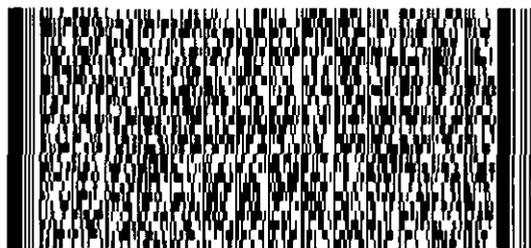
Ref #
 Invoice #
 PO #
 Dept #

WED - 16 APR AA
 STANDARD OVERNIGHT

TRK# 7985 4729 4639

0201

17120
 PA-US
 MDT



EN MDTA



522G1178D0AF220

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.