

Richard G. Webster, Jr.

Vice President

PECO

Regulatory Policy and Strategy

2301 Market Street

515

Philadelphia, PA 19103

Telephone 215.841.4000

Fax 215.841.6208

www.peco.com

dick.webster@peco-energy.com

October 14, 2015

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-2012-2333992
Phase II Energy Efficiency and Conservation Program Quarterly Report for
June 1, 2015 through August 31, 2015**

Dear Secretary Chiavetta:

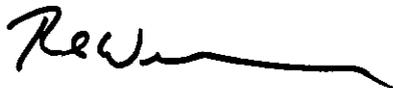
In accordance with the Commission's Secretarial Letter dated May 25, 2011 (Docket No. M-2008-2069887), enclosed is PECO's Phase II Quarterly Energy Efficiency & Conservation Report for the period June 1, 2015 through August 31, 2015.

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,



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

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Enclosures

Quarterly Report to the Pennsylvania Public Utility Commission

**For the Period
June 2015 through August 2015
Program Year 7, Quarter 1**

**For Pennsylvania Act 129 of 2008
Energy Efficiency and Conservation Plan**

Prepared by Navigant Consulting, Inc.

For

PECO Energy Company

October 14, 2015

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

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Acronyms

A/C	Air Conditioning
ASHP	Air Source Heat Pump
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
DHW	Domestic Hot Water
EDC	Electric Distribution Company
EE&C	Energy Efficiency and Conservation
GNI	Government, Nonprofit, Institutional
HVAC	Heating, Ventilating, and Air Conditioning
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
PECO	PECO Energy Company
Phase II	June 1, 2013 to May 31, 2016
Phase II Savings	Cumulative Ex Ante Program/Portfolio Phase II Inception to Date
Phase II-CO Savings	Cumulative Ex Ante 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, 2014 to May 31, 2015
PY7	Program Year 2015, from June 1, 2015 to May 31, 2016
PYX QX	Program Year X, Quarter X
PYTD	Program Year to Date
RAP	Resource Action Programs
RCT	Randomized Controlled Trial
SAR	Smart Appliance Recycling
SBR	Smart Builder Rebates
SBS	Smart Business Solutions
SCI	Smart Construction Incentives
SEI	Smart Equipment Incentives
SES	Smart Energy Saver
SHC	Smart House Call
SHR	Smart Home Rebates
SMFS	Smart Multifamily Solutions
SOS	Smart On-Site
SUP	Smart Usage Profile
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 the Pennsylvania Public Utility Commission (PA PUC) approved—pursuant to these goals. In early 2013, each EDC filed new EE&C plans with the PA PUC for Phase II (June 2013 through May 2016) of the Act 129 programs. The PA PUC subsequently approved these plans 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 the PECO Energy Company (PECO) in the first quarter (Q1) of Program Year 7 (PY7), defined as June 1, 2015 through August 31, 2015, as well as the cumulative accomplishments of the programs since the 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 toward EDC savings compliance targets for Phase II.

Navigant Consulting, Inc. (Navigant) is evaluating the programs, including the measurement and verification (M&V) of savings. Navigant will report the verified savings for PY7 in the Annual Report, which PECO will file on November 15, 2016.

1.1 Carry-Over Savings

According to the Phase II Implementation Order, the PA PUC allows PECO to “carry over” megawatt-hour (MWh) savings in excess of its Phase I compliance target into Phase II of Act 129. The total, verified savings based on the technical reference manual (TRM) that PECO reported for Phase I was 1,399,242 MWh. The PA PUC tentatively accepted this value in its Act 129 Phase I Compliance Determination Order.^[1] At the time PECO filed its Phase I Final Report, there were three combined heat and power (CHP) projects—one in the commercial and industrial (C&I) sector and two in the government, nonprofit, institutional (GNI) sector—that had commercial dates of operation (CDO) in Phase I; these were completed too late in the program year for Navigant to fully verify them, however. Per the statewide evaluator’s (SWE’s) September 13, 2013 guidance memo on reporting unverified savings,^[2] PECO presented reported (unverified) savings for these projects in the Phase I report. Navigant has since fully evaluated these three projects, and the 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 are, 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. Table 1-1 summarizes these savings.

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 Carry-Over Savings	242,793

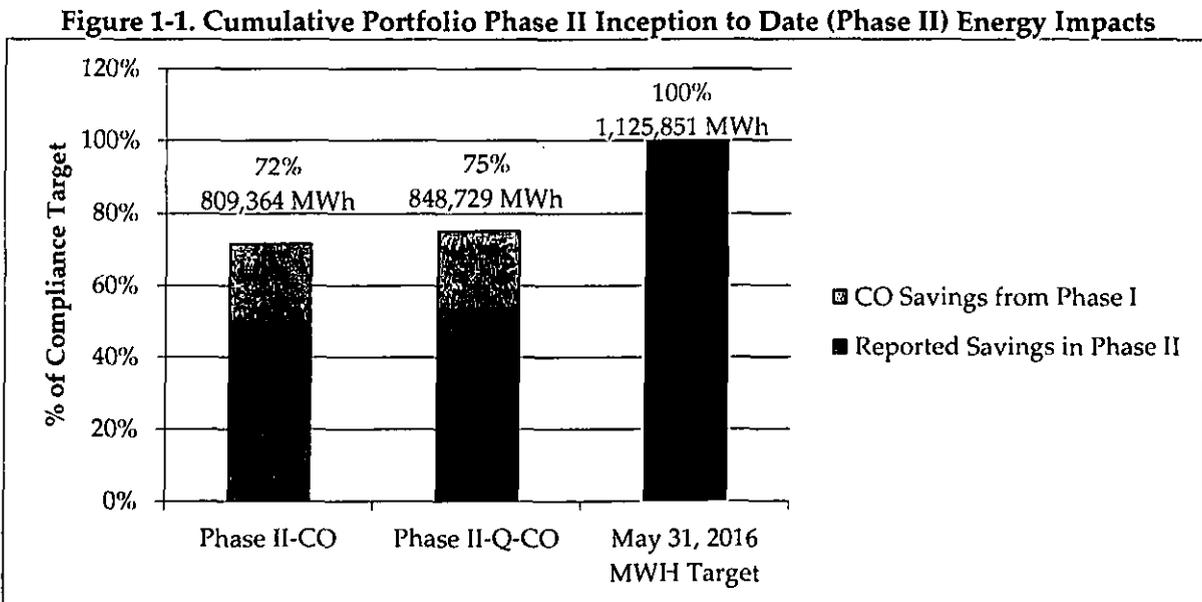
Sources: PECO and Navigant analysis

^[1] Pennsylvania Public Utilities Commission, *Act 129 Phase I Compliance Determination Order*, March 20, 2014, p.6.

^[2] 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 72 percent of the May 31, 2016 energy savings compliance target based on cumulative program inception to date (Phase II-CO¹) reported gross energy savings² and 75 percent of the energy savings compliance target based on Phase II-Q-CO³ gross energy savings achieved through PY7 Q1, as shown in Figure 1-1.



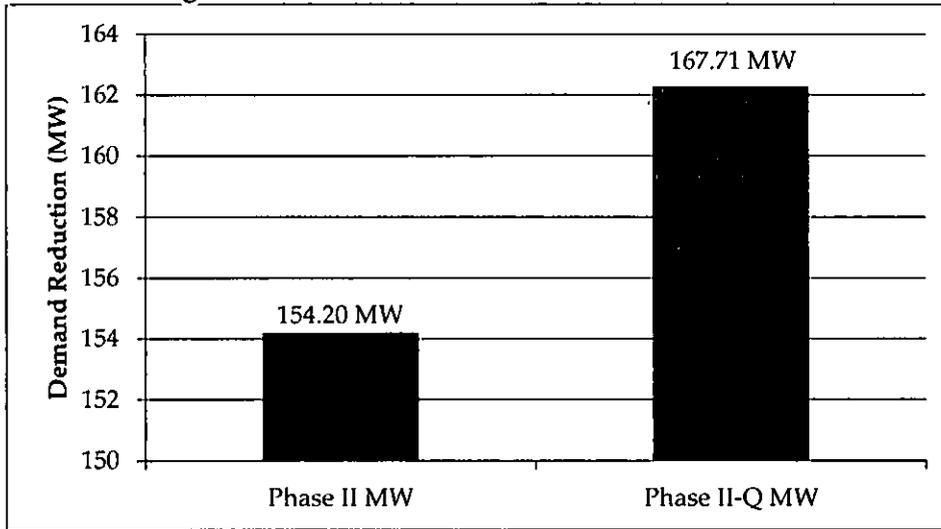
¹ Phase II-CO is the cumulative ex ante program/portfolio savings from the inception of Phase II to date, including carry-over savings from Phase I.

² Phase II reported gross savings are the 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.

³ Phase II-Q-CO gross savings are the Phase II verified gross savings from the beginning of Phase II, including verified carry-over savings from Phase I added to the program year to date (PYTD) reported gross savings.

PECO has achieved 154.20 megawatts (MW) of demand reduction through the end of PY7 Q1 based on cumulative reported gross demand savings and 167.71 MW of demand reduction based on Phase II-Q,⁴ as shown in Figure 1-2.

Figure 1-2. Phase II Portfolio Demand Reduction^{5,6}



Sources: PECO and Navigant analysis

There are 18 measures available to the low-income sector at no cost to the customer. These measures make up 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 PECO territory (8.8 percent).⁷ The Phase II reported gross energy savings achieved in the low-income sector are 39,679 MWh.

⁴ Unlike Phase I, there is no compliance target for demand reduction in Phase II.

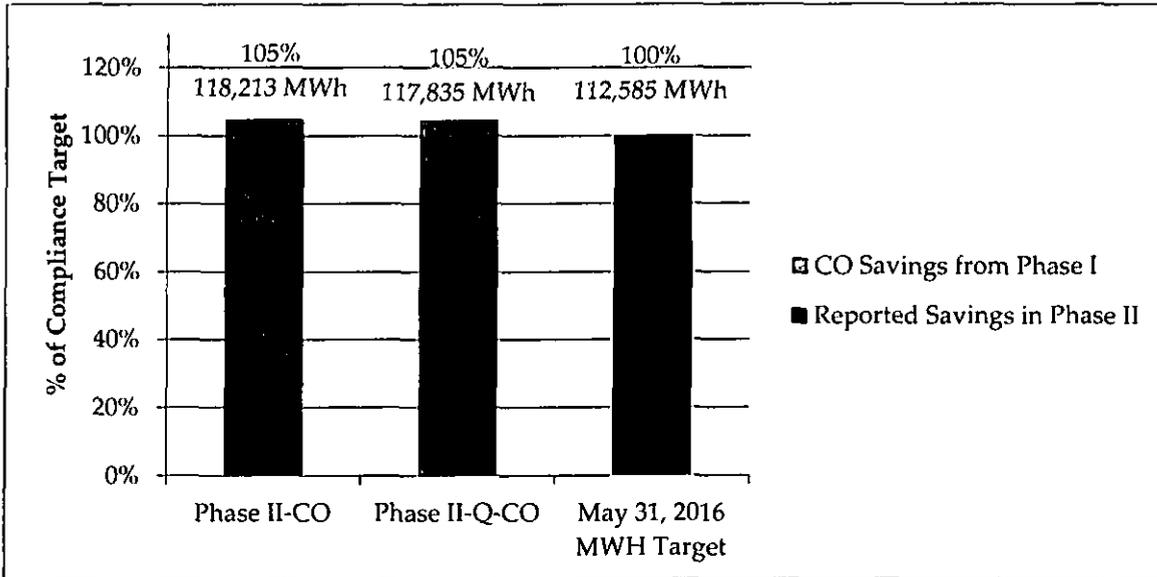
⁵ Phase II MW equals Phase II demand savings to date.

⁶ Phase II-Q MW equals Phase II verified gross demand savings from the beginning of Phase II plus PYTD reported gross demand savings.

⁷ Act 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).

PECO achieved 105 percent of the May 31, 2016 energy reduction compliance target for the GNI sector based on Phase II reported gross energy savings and 105 percent of the target based on Phase II-Q-CO gross energy savings achieved through Q1, as shown in Figure 1-3.

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



Sources: PECO and Navigant analysis

1.3 Program Updates and Findings

- **Smart Appliance Recycling (SAR) program:** In PY7 Q1, the residential component of the SAR program experienced strong participation: approximately 4,589 participants, with 4,813 units recycled. This is the highest number of appliances recycled in a single quarter since the inception of the program and is nearly 50 percent more than the previous quarterly record high of 3,243 units recycled in PY6 Q4. Navigant attributes the continued strong participation to the incentive increasing from \$35 to \$50 during PY6 Q2 as well as increased program marketing. Refrigerators made up 85 percent of the PY7 Q1 recycled units. Additionally, customers reported that new appliances replaced 13 percent of recycled units. This is a significant decrease in comparison to PY6 Q4, when 49 percent of recycled units were reported as replacements.

For the non-residential component (funded under the Smart Equipment Incentives [SEI] program), there were 64 C&I participants in PY7 Q1 that recycled 72 units. Refrigerators made up 85 percent of the total appliances recycled, and new appliances replaced 10 percent. The replacement percentage is much lower in comparison to PY6 Q4, when customers reported replacing 31 percent of units. This quarter's participation alone is approximately 67 percent of the total for PY6, when 108 C&I units were recycled. Additionally, 12 GNI participants recycled 13 appliances in PY7 Q1. The number of SEI GNI units recycled in PY7 Q1 is nearly equal to the 14 SEI GNI units collected in all of PY6. Review of the Q1 data found all financial reporting to be accurate and consistent.

- **Smart Home Rebates (SHR) program:** In PY7 Q1, lighting measures produced 90 percent of the SHR program's energy savings and 69 percent of its demand savings, similar to the 90 percent of energy savings but higher than the 71 percent demand savings verified in PY6. Non-lighting measures produced the remaining 10 percent of energy savings and 31 percent of demand savings. Central air conditioning units and air source heat pumps (ASHPs) produced 61 percent of non-lighting energy savings.

Bulb sales for PY7 Q1 were 520,035, which is equivalent to sales during the previous quarter. The proportion of light-emitting diode (LED) sales declined from 89 percent in the previous quarter to 67 percent this quarter. Standard compact fluorescent lamps (CFLs) comprised 32 percent of sales and specialty CFLs almost one percent.

- **Smart House Call (SHC) program:** PECO launched the SHC program in PY5 at the start of Phase II for the residential sector. There were 1,683 new participants in PY7 Q1, 1,162 of whom had one or more program measures installed as of the end of PY7 Q1 (some participants have an audit or assessment performed but do not choose to have any direct install measures implemented at the time of the walkthrough). For comparison, there

were 1,774 participants in PY6 Q4 and 5,621 total verified participants overall as of the end of PY6 Q4. Reported energy savings in PY7 Q1 were 1,305 MWh and peak demand savings were 0.2 MW.

Out of the 1,683 new participants, 1,206 received a walk-through of their home at the assessment level and installation of direct install measures. An additional 458 participants received a walk-through of their home at the audit level, which includes a blower door test and combustion safety test, and installation of direct install measures. In addition, 455 participants who had previously received an audit-level walk-through of their home proceeded with the installation of one or more program-incentivized major measures in PY7Q1, such as wall insulation, attic insulation, air sealing, ASHP duct sealing, and ASHP maintenance. Participating program contractors typically install these major measures. Overall, measures installed to date include electric water heater pipe insulation; ENERGY STAR® CFLs, LEDs, LED nightlights, low-flow faucet aerators, low flow showerheads, smart strip plug outlets, ASHP duct sealing, ASHP maintenance, attic insulation, wall insulation, and air sealing.

- **Smart Builder Rebates (SBR) program:** In PY7 Q1, the SBR program completed 38 new home projects, sustaining the increased participation generated from allowing electrically cooled (non-electrically-heated) homes into the program. Participation is expected to continue at this pace based on projects enrolled in the queue. Roughly half (47 percent) of Q1 savings came from whole-house measures—heating, ventilation, and air conditioning (HVAC), shell, and domestic hot water (DHW)—with the remainder achieved from lighting measures.
- **Smart Energy Saver (SES) program:** In the first quarter of PY7, PECO made progress in preparing for the new school year by working with the program implementer, Resource Action Programs (RAP), to update program materials and prepare for this year’s teacher recruitment process.
- **Smart Usage Profile (SUP) program:** In September 2013, the implementer randomly selected 44,796 PECO customers to enroll in the first wave treatment group (Wave 1). In June 2014, the implementer enrolled an additional 49,989 customers in a second wave treatment group for PY6 (Wave 2). In June 2015, Q1 of PY7, the implementer enrolled a third wave of 69,300 participants (Wave 3) for a cumulative total of 140,000 participant customers. All participant waves will continue to receive reports through the end of PY7. Note that PECO revised its internal Phase II energy savings goal for this program to 27,000 MWh in PY7 (originally 20,000 MWh in PY7). However, the annual evaluation reports will present progress against the 20,000 MWh goal to align with the Phase II filed plan.

- **Smart Multifamily Solutions (SMFS) program:** During PY7 Q1 a total of 2,387 participants covering the residential (2,335 participants), C&I (48 participants), and GNI (4 participants) sectors received cost-free direct installation measures. The program claimed a reported total of 1,511 MWh of energy savings, with 0.2 MW of demand reduction, this quarter. Since the beginning of Phase II, the program has completed cost-free direct installation measures for a total of 20,836 participants covering 20,088 residential, 721 C&I, and 27 GNI segment participants. The program claimed a reported 13,674 MWh of total energy savings, with 1.3 MW of demand reduction, during Phase II and has incurred \$5.03 million in expenditures as a result of direct installation services. As of PY7 Q1, the program has yet to see any participation in its prescriptive channel.
- **Low-Income Energy Efficiency Program (LEEP):** Participation levels were down from PY6 Q4 participation, with 2,416 participants receiving audits as part of Component 1 in PY7 Q1. The large majority of the audits were electric baseload audits. As part of Component 2, PECO installed 8,731 bulbs through the Low-Income Usage Reduction Program (LIURP), an increase from PY6 Q4. As part of Component 3, PECO distributed 79,200 bulbs to low-income customers, similar to PY6 Q4. As part of Component 4, PECO replaced 863 refrigerators, slightly down from PY6 Q4. The majority of program savings accrue from direct installation measures from Components 1, 2, and 4. The remaining savings are broken out across the other components as follows:
 - Component 1 accounts for 25 percent of energy savings and 27 percent of demand savings.
 - Component 2 accounts for five percent of energy savings and five percent of demand savings.
 - Component 3 accounts for 59 percent of energy savings and 57 percent of demand savings.
 - Component 4 accounts for 11 percent of energy savings and 12 percent of demand savings.
- **SEI C&I program:** In PY7 Q1, 283 participants completed 284 total retrofit projects that received rebates from the SEI C&I program. This number (283) is much greater than the first quarters of either PY6 (200 participants) or PY5 (14 participants), indicating a strong start to the SEI C&I program. Additionally, the energy and peak demand savings are greater than last year's first quarter by 40 percent and 47 percent, respectively. Overall, the data for PY7 Q1 shows that the SEI C&I program is going to be larger than both PY5 and PY6 combined.
- **SEI GNI program:** In PY7 Q1, 72 participants completed retrofit projects that received rebates from the SEI GNI program. This number (72) of participants is much greater

than the first quarters of either PY6 (50 participants) or PY5 (two participants), indicating a strong start to the SEI GNI program. Additionally, the energy and peak demand savings are greater than last year's first quarter by 241 percent and 474 percent, respectively. Overall, the data for PY7 Q1 shows that the SEI GNI program is going to be larger than both PY5 and PY6 combined.

- **Smart Construction Incentives (SCI) program:** Eleven new construction projects received rebates from the SCI program in PY7 Q1. Eight of the projects were in the GNI sector while three were in the C&I sector. The total number of participants was 10, with seven completing GNI projects and three completing C&I projects. The energy savings reported in PY7 Q1 were 1,353 MWh, and the demand savings reported were 0.3 MW. Overall, the data for PY7 Q1 showed that the SCI program achieved similar participation and demand savings as it did during PY6 Q1, and achieved about half of the energy savings as during the same period of PY6.
- **Smart Business Solutions (SBS) program:** A total of 63 customers (one of which was in the GNI sector) participated in the program in Q1, with annual savings estimated at 1,910 MWh. Projects replacing linear fluorescent fixtures with more efficient high-performance T8 and T5 fixtures accounted for 79 percent of program savings in Q1.
- **Smart On-Site (SOS) program:** The program did not process any CHP projects in Q1. However, the program is tracking the progress of several projects and anticipates the completion of those projects prior to the end of Phase II. There are currently eight projects with estimated completion dates in Phase II that have reserved incentive funds.
- **Residential Smart Air Conditioning (A/C) Saver program:** The Residential Smart A/C Saver program had 67,761 registered participants that represented 78,942 devices at the end of PY7 Q1. The program was active during Q1 and will remain active until the 2015 cooling season ends on September 30, 2015.
- **Commercial Smart A/C Saver program:** The Commercial Smart A/C Saver program had 1,789 registered participants that represented 3,210 devices at the end of PY7 Q1. The program was active during Q1 and will remain active until the 2015 cooling season ends on September 30, 2015.

1.4 Evaluation Updates and Findings

- **SAR program:** Navigant completed the PY6 evaluation, including the Annual Report to be submitted to the SWE, and presented the results of the evaluation to PECO staff. In the coming months, Navigant will begin to develop the PY7 evaluation plan, including

conducting program manager interviews to determine if any changes need to be made to the evaluation plan.

- **SHR program:** The M&V activities for the first quarter of PY7 focused exclusively on analysis of data collected in the previous year. The forthcoming Annual Compliance Report for PY6 will detail findings and conclusions from this analysis.
- **SHC program:** The M&V activities completed for the PY7 Q1 report consisted of reviewing the tracking data provided to the evaluation team by PECO program staff, as well as reviewing all invoices from the conservation service provider (CSP) received and approved by PECO for labor and onsite audit and assessment costs through the end of May 2015. After confirming consistency between the CSP invoices and the program tracking data, Navigant used the tracking data to verify the reported PY7 Q1, PYTD, and Phase II savings.
- **SBR program:** Evaluation activities completed in PY7 Q1 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 Q1. The evaluation team also completed analysis and reporting for the PY6 evaluation.
- **SES program:** First quarter PY7 evaluation activities were limited to reviewing the implementer's draft teacher surveys to ensure the surveys capture the data needed for evaluation.
- **SUP program:** For PY7 Q1, Navigant verified that PECO randomly assigned customers to the participant and control groups consistent with a randomized controlled trial (RCT) design. Navigant delivered the results of the analysis to PECO in memo format in June 2015.
- **SMFS program:** As part of the PY7 evaluation activities, the team will conduct a full net-to-gross (NTG) research and process evaluation in conjunction with onsite verification visits and file reviews. The evaluation team will complete a sample design based on Q1 and Q2 completed projects to achieve an 85/15 (or better) level of confidence and relative precision at the program level. The team plans to begin post-installation field verification in April 2016. In-depth interviews with PECO/Franklin Energy personnel, to assess the effectiveness of the program and to identify any barriers or potential improvements to the program implementation, are planned to be completed by March 2016. Participant interview guides will be designed by January 2016, and the surveys are expected to be fielded and completed by July 2016.

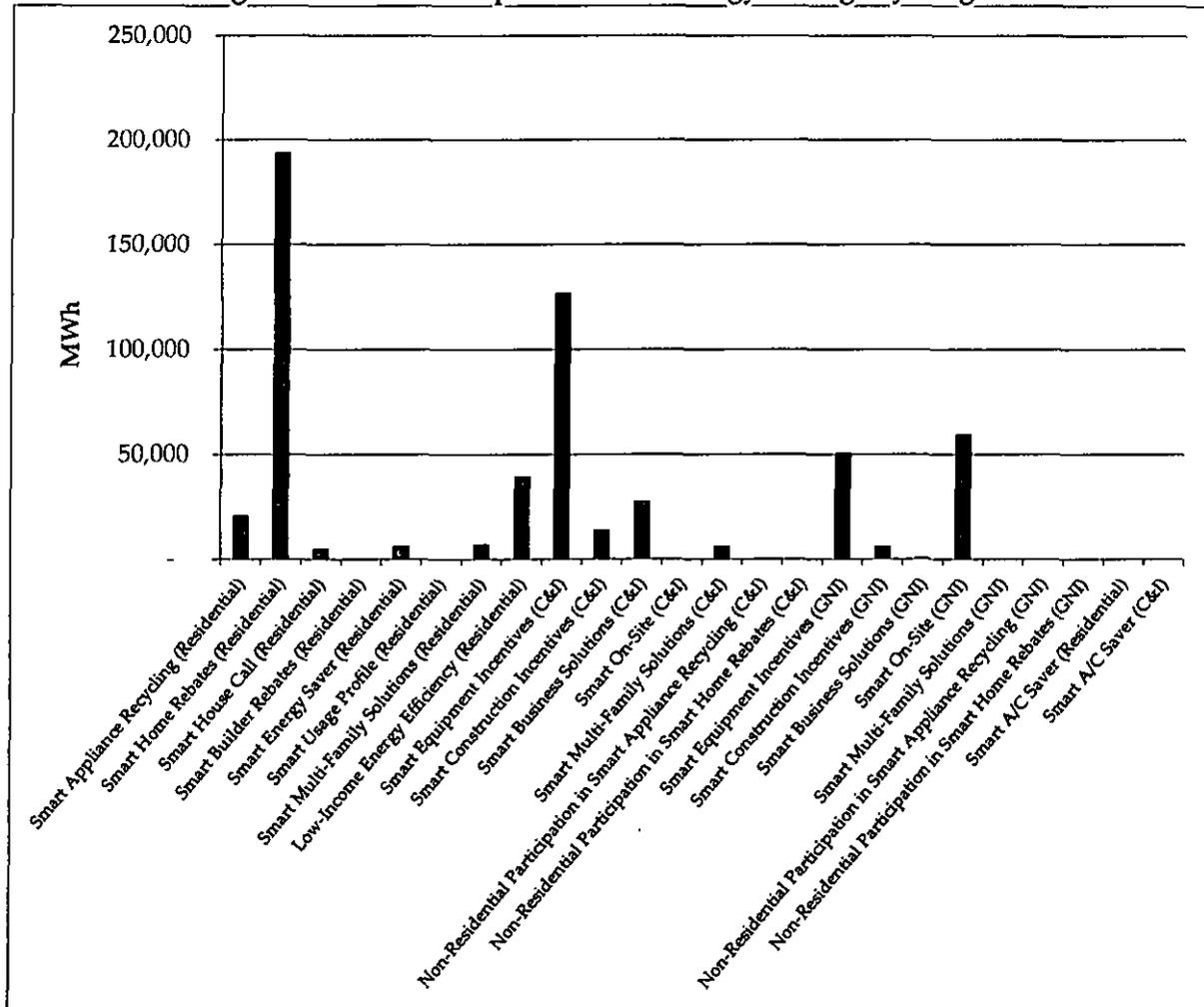
- **LEEP program:** Navigant completed the PY6 evaluation, including the Annual Report to be submitted to the SWE, and presented the results of the evaluation to PECO staff. In the coming months, Navigant will begin to develop the PY7 evaluation plan, including conducting program manager interviews to determine if Navigant needs to update the evaluation plan.
- **SEI C&I program:** The evaluation of the SEI C&I program will align closely with the PY6 evaluation in terms of approaches and tasks. The team will complete a sample design based on Q1 and Q2 completed projects to achieve an 85/15 or better level of confidence and relative precision at the program level. The team plans to complete pre-installation site visits where appropriate. Navigant plans to complete in-depth interviews with PECO and DNV GL personnel to assess the effectiveness of the program and to identify any barriers or potential improvements to program implementation. Navigant will design and field participant interview guides and conduct contractor focus groups.
- **SEI GNI program:** The evaluation of the SEI GNI program will align closely with the PY6 evaluation in terms of approaches and tasks. The team will complete a sample design based on Q1 and Q2 completed projects to achieve an 85/15 or better level of confidence and relative precision at the program level. The team plans to complete pre-installation site visits where appropriate. Navigant plans to complete in-depth interviews with PECO and DNV GL personnel to assess the effectiveness of the program and to identify any barriers or potential improvements to the program implementation. Navigant will design and field participant interview guides and contractor focus groups.
- **SCI program:** The evaluation of the PY7 SCI program will align closely with the PY6 evaluation in terms of approaches and tasks. The Navigant evaluation team will complete a sample design based on Q1 to Q3 completed projects at the completion of Q3 to achieve an 85/15 or better level of confidence and relative precision at the program level. The team will begin engineering reviews and field verification of the sampled projects in March 2016. Navigant will also complete in-depth interviews with PECO and DNV GL personnel to assess the effectiveness of the program and to identify any barriers or potential improvements to program implementation.
- **SBS program:** Navigant conducted the following evaluation activities during Q1:
 - Held monthly telephone conversations with the PECO program manager
 - Finalized analysis of sampled projects and developed PY6 program realization rate
 - Analyzed results from process evaluation activities
 - Developed tables and text for the PY6 Annual Report

- Presented draft findings and recommendations to PECO personnel
- **SOS program:** Navigant’s evaluation activities for this program during Q1 included:
 - Held monthly telephone conversations with the PECO program manager
 - Analyzed results from process evaluation activities
 - Developed tables and text for the PY6 Annual Report
 - Presented draft findings and recommendations to PECO personnel
- **Residential and Commercial Smart A/C Saver programs:** The Residential and Commercial Smart A/C Saver programs were active during the first quarter of the PY7 cooling season. As with PY6, PECO has planned a limited number of conservation events in PY7. Both programs continue to have reductions in their respective participant counts, which can be attributed to normal attrition due to moves, business closures, etc. Both programs, however, continued to enroll new participants in PY7 Q1 to offset some of this attrition.

2 Summary of Energy Impacts by Program

Figure 2-1 presents a summary of the reported energy savings by program through PY7 Q1 of Phase II.

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



Sources: PECO and Navigant analysis

Table 2-1 presents a summary of energy impacts by program through Q1 of PY7.

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 Total	17,685	17,685	125,328	28,987	28,987	233,546	234,789
Smart Appliance Recycling (Residential)	4,589	4,589	23,313	4,556	4,556	20,926	20,858
Smart Home Rebates (Residential) ²	9,040	9,040	48,992	21,835	21,835	193,857	197,570
Smart House Call (Residential)	1,683	1,683	7,304	1,305	1,305	5,129	5,162
Smart Builder Rebates (Residential)	38	38	128	57	57	282	282
Smart Energy Saver (Residential)	0	0	25,503	0	0	6,232	3,780
Smart Usage Profile (Residential)	0	0	0	0	0	0	17
Smart Multifamily Solutions (Residential) ⁴	2,335	2,335	20,088	1,235	1,235	7,120	7,120
Low-Income Energy Efficiency Total³	2,416	2,416	21,955	6,581	6,581	39,679	42,316
Low-Income Energy Efficiency (Residential)	2,416	2,416	21,955	6,581	6,581	39,679	42,316
Non-Residential Total	556	556	3,981	36,444	36,444	293,345	328,831
Commercial and Industrial Total	460	460	3,476	19,981	19,981	175,132	210,997
Smart Equipment Incentives (C&I)	283	283	1,400	17,715	17,715	126,988	130,267
Smart Construction Incentives (C&I)	3	3	81	92	92	13,967	14,170
Smart Business Solutions (C&I)	62	62	1,029	1,863	1,863	27,728	27,241
Smart On-Site (C&I)	0	0	0	0	0	0	0
Smart Multifamily Solutions (C&I) ⁴	48	48	721	243	243	6,243	6,243
Non-Residential Participation in Smart Appliance Recycling (C&I)	64	64	185	68	68	198	198
Non-Residential Participation in Smart Home Rebates (C&I) ⁵	0	0	60	0	0	7	32,877
Government, Nonprofit, Institutional Total	96	96	505	16,463	16,463	118,213	117,835
Smart Equipment Incentives (GNI)	72	72	399	15,109	15,109	50,928	49,929
Smart Construction Incentives (GNI)	7	7	31	1,261	1,261	6,094	6,252
Smart Business Solutions (GNI)	1	1	17	47	47	911	891
Smart On-Site (GNI)	0	0	2	0	0	59,945	60,427
Smart Multifamily Solutions (GNI) ⁴	4	4	27	33	33	311	311
Non-Residential Participation in Smart Appliance Recycling (GNI)	12	12	24	12	12	24	24
Non-Residential Participation in Smart Home Rebates (GNI) ⁵	0	0	5	0	0	1	1
Demand Reduction Total	-1,466	-1,466	69,542	0	0	0	0
Smart A/C Saver (Residential) ⁶	-1,431	-1,431	67,753	0	0	0	0
Smart A/C Saver (C&I) ⁶	-35	-35	1,789	0	0	0	0
Total Portfolio	19,191	19,191	220,806	72,013	72,013	566,571	605,936
Carry-Over Savings from Phase I							242,793
Total Phase II-Q-CO							848,729

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.

³ Act 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.

⁴ The 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 reflect the number of participating households rather than the number of multifamily buildings in which the participants live.

⁵ PECO has split out the C&I and GNI portions of the SHR program savings to more clearly and accurately present the energy, peak demand savings, and participation of this program.

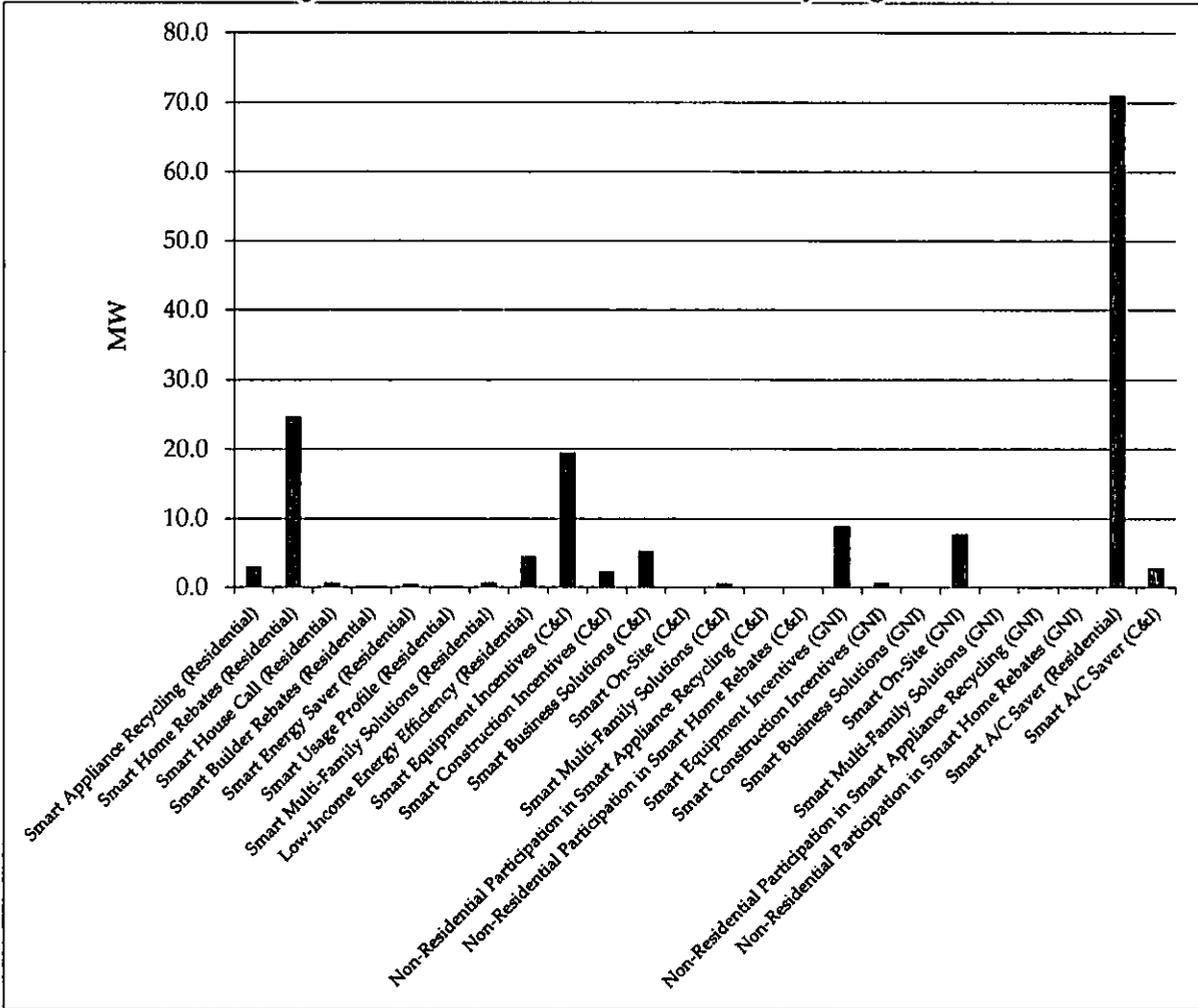
⁶ Reductions in the participant rate for both the Residential and Commercial Smart A/C Saver programs can be attributed to normal participant attrition due to moves, business closures, etc. in the absence of concerted recruitment of new participants by PECO.

Sources: PECO and Navigant analysis

3 Summary of Demand Impacts by Program

Figure 3-1 presents a summary of the reported demand reduction by program through PY7 Q1 of Phase II.

Figure 3-1. Phase II Demand Reduction by Program



Sources: PECO and Navigant analysis

Table 3-1 presents a summary of total demand reduction impacts by program through PY7 Q1. 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	PYT D	Phase II	Phase II-Q
Residential Total	17,685	17,685	125,328	4.7	4.7	30.0	37.0
Smart Appliance Recycling (Residential)	4,589	4,589	23,313	0.6	0.6	3.0	3.0
Smart Home Rebates (Residential) ²	9,040	9,040	48,992	3.7	3.7	24.8	32.0
Smart House Call (Residential)	1,683	1,683	7,304	0.2	0.2	0.7	0.8
Smart Builder Rebates (Residential)	38	38	128	0.0	0.0	0.1	0.1
Smart Energy Saver (Residential)	0	0	25,503	0.0	0.0	0.5	0.3
Smart Usage Profile (Residential)	0	0	0	0.0	0.0	0.0	0.0
Smart Multifamily Solutions (Residential)	2,335	2,335	20,088	0.2	0.2	0.8	0.8
Low-Income Energy Efficiency Total³	2,416	2,416	21,955	0.9	0.9	4.5	4.8
Low-Income Energy Efficiency (Residential)	2,416	2,416	21,955	0.9	0.9	4.5	4.8
Non-Residential Total	556	556	3,981	7.7	7.7	45.7	46.5
Commercial and Industrial Total	460	460	3,476	3.2	3.2	28.0	29.4
Smart Equipment Incentives (C&I)	283	283	1,400	2.8	2.8	19.6	19.9
Smart Construction Incentives (C&I)	3	3	81	0.0	0.0	2.4	1.8
Smart Business Solutions (C&I)	62	62	1,029	0.4	0.4	5.3	3.7
Smart On-Site (C&I)	0	0	0	0.0	0.0	0.0	2.7
Smart Multifamily Solutions (C&I)	48	48	721	0.0	0.0	0.6	0.4
Non-Residential Participation in Smart Appliance Recycling (C&I)	64	64	185	0.0	0.0	0.0	0.3
Non-Residential Participation in Smart Home Rebates (C&I) ⁴	0	0	60	0.0	0.0	0.0	0.7
Government, Nonprofit, Institutional Total	96	96	505	4.5	4.5	17.7	17.1
Smart Equipment Incentives (GNI)	72	72	399	4.3	4.3	9.0	8.4
Smart Construction Incentives (GNI)	7	7	31	0.2	0.2	0.8	0.8
Smart Business Solutions (GNI)	1	1	17	0.0	0.0	0.2	0.2
Smart On-Site (GNI)	0	0	2	0.0	0.0	7.8	7.7
Smart Multifamily Solutions (GNI) ⁵	4	4	27	0.0	0.0	0.0	0.0
Non-Residential Participation in Smart Appliance Recycling (GNI)	12	12	24	0.0	0.0	0.0	0.0
Non-Residential Participation in Smart Home Rebates (GNI) ⁴	0	0	5	0.0	0.0	0.0	0.0
Demand Reduction Total	-1,466	-1,466	69,542	0.0	0.0	74.0	74.0
Smart A/C Saver (Residential)	-1,431	-1,431	67,753	0.0	0.0	71.1	71.1
Smart A/C Saver (C&I)	-35	-35	1,789	0.0	0.0	2.9	2.9
Total Portfolio	19,191	19,191	220,806	13.3	13.3	154.2	162.3

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.

³ Act 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.

⁴ PECO has split out the C&I and GNI portions of the SHR program savings to more clearly and accurately present the energy, peak demand savings, and participation of this program.

⁵ The 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 reflect the number of participating households rather than the number of multifamily buildings in which the participants live.

Sources: PECO and Navigant analysis

4 Summary of Finances

4.1 Portfolio-Level Expenditures

Table 4-1 presents a breakdown of the portfolio finances.

Table 4-1. Summary of Portfolio Finances

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$10,162	\$10,162	\$65,688
EDC Incentives to Trade Allies	\$44	\$44	\$355
Subtotal EDC Incentive Costs	\$10,206	\$10,206	\$66,043
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹⁾	\$7,926	\$7,926	\$71,896
Marketing	\$953	\$953	\$11,778
Subtotal EDC Implementation Costs	\$8,879	\$8,879	\$83,674
EDC Evaluation Costs	\$1,625	\$1,625	\$9,693
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:			
Per PA 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 of 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.			

Sources: PECO and Navigant analysis

4.2 Program-Level Expenditures

The following tables show program-specific finances.

Table 4-2. Summary of Program Finances: Smart Appliance Recycling (Residential)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$241	\$241	\$1,037
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$241	\$241	\$1,037
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹	\$403	\$403	\$2,111
Marketing	\$9	\$9	\$210
Subtotal EDC Implementation Costs	\$412	\$412	\$2,321
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
<p>NOTES: Per PA 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 of 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.</p>			

Sources: PECO and Navigant analysis

Table 4-3. Summary of Program Finances: Smart Home Rebates (Residential)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$3,606	\$3,606	\$24,224
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$3,606	\$3,606	\$24,224
Design & Development	\$0	\$0	\$0
Administration, Management and Technical Assistance ¹	\$889	\$889	\$7,807
Marketing	\$170	\$170	\$558
Subtotal EDC Implementation Costs	\$1,060	\$1,060	\$8,365
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:			
Per PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-4. Summary of Program Finances: Smart House Call (Residential)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$72	\$72	\$393
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$72	\$72	\$393
EDC Implementation Costs			
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹	\$890	\$890	\$5,339
Marketing	\$440	\$440	\$1,852
Subtotal EDC Implementation Costs	\$1,330	\$1,330	\$7,191
EDC Evaluation Costs			
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 PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-5. Summary of Program Finances: Smart Builder Rebates (Residential)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$0
EDC Incentives to Trade Allies	\$21	\$21	\$80
Subtotal EDC Incentive Costs	\$21	\$21	\$80
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹¹	\$74	\$74	\$603
Marketing	\$30	\$30	\$152
Subtotal EDC Implementation Costs	\$104	\$104	\$755
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs¹²	N/A	N/A	N/A
Participant Costs¹³	N/A	N/A	N/A
Total TRC Costs¹⁴	N/A	N/A	N/A
NOTES:			
Per PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-6. Summary of Program Finances: Smart Energy Saver (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⁾	\$23	\$23	\$924
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$23	\$23	\$924
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
<p>NOTES: Per PA 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 of 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.</p>			

Sources: PECO and Navigant analysis

Table 4-7. Summary of Program Finances: Smart Usage Profile (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 ¹¹	\$174	\$174	\$2,536
Marketing	\$0	\$0	\$1
Subtotal EDC Implementation Costs	\$174	\$174	\$2,537
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs¹²	N/A	N/A	N/A
Participant Costs¹³	N/A	N/A	N/A
Total TRC Costs¹⁴	N/A	N/A	N/A
NOTES:			
<i>Per PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-8. Summary of Program Finances: Low-Income Energy Efficiency (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
EDC Implementation Costs			
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹	\$2,249	\$2,249	\$17,304
Marketing	\$129	\$129	\$439
Subtotal EDC Implementation Costs	\$2,378	\$2,378	\$17,743
EDC Evaluation Costs			
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
<p>NOTES: Per PA 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. ¹Includes the tracking system, general administration and clerical costs, EDC program management, CSP program management, and technical assistance. 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. ³Per the 2013 Total Resource Cost Test Order, net participant costs; in PA, refer to the costs of the end-use customer. ⁴Total TRC Costs = Total EDC Costs + Participant Costs.</p>			

Sources: PECO and Navigant analysis

Table 4-9. Summary of Program Finances: Smart Equipment Incentives (C&I)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$1,155	\$1,155	\$9,676
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$1,155	\$1,155	\$9,676
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹⁾	\$1,077	\$1,077	\$10,273
Marketing	\$0	\$0	\$9
Subtotal EDC Implementation Costs	\$1,077	\$1,077	\$10,282
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:			
Per PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-10. Summary of Program Finances: Smart Construction Incentives (C&I)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$159	\$159	\$2,176
EDC Incentives to Trade Allies	\$23	\$23	\$275
Subtotal EDC Incentive Costs	\$182	\$182	\$2,451
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ⁽¹⁾	\$195	\$195	\$2,530
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$195	\$195	\$2,530
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 PA 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 of 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.			

Sources: PECO and Navigant analysis

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
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ⁽¹⁾	\$325	\$325	\$4,856
Marketing	\$0	\$0	\$5
Subtotal EDC Implementation Costs	\$325	\$325	\$4,861
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 PA 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 of major accounts, and technical assistance for both the SBS 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.			

Sources: PECO and Navigant analysis

Table 4-12. Summary of Program Finances: Smart On-Site (C&I) and (GNI)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$4,993
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$4,993
EDC Implementation Costs			
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ⁽¹⁾	\$96	\$96	\$861
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$96	\$96	\$861
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:			
Per PA 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 of major accounts, and technical assistance for both the SOS 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.			

Sources: PECO and Navigant analysis

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⁾	\$155	\$155	\$2,277
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$155	\$155	\$2,277
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
<p>NOTES: Per PA 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 of 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.</p>			

Sources: PECO and Navigant analysis

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
EDC Implementation Costs			
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹	\$302	\$302	\$2,665
Marketing	\$48	\$48	\$122
Subtotal EDC Implementation Costs	\$350	\$350	\$2,787
EDC Evaluation Costs			
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:			
Per PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-15. Summary of Program Finances: Smart Equipment Incentives (GNI)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$1,549	\$1,549	\$5,413
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$1,549	\$1,549	\$5,413
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ⁽¹⁾	\$457	\$457	\$6,038
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$457	\$457	\$6,038
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 PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-16. Summary of Program Finances: Smart A/C Saver (Residential)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$3,246	\$3,246	\$17,022
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$3,246	\$3,246	\$17,022
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹¹	\$475	\$475	\$528
Marketing	\$4	\$4	\$20
Subtotal EDC Implementation Costs	\$479	\$479	\$548
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs¹²	N/A	N/A	N/A
Participant Costs¹³	N/A	N/A	N/A
Total TRC Costs¹⁴	N/A	N/A	N/A
NOTES:			
Per PA 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, CSP capacity payments, general management, oversight of major accounts, and technical assistance. Negative values are the result of capacity payments from PJM in excess of program administrative costs.			
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.			

Sources: PECO and Navigant analysis

Table 4-17. Summary of Program Finances: Smart A/C Saver (C&I)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$130	\$130	\$740
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$130	\$130	\$740
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ⁽¹⁾	\$20	\$20	\$28
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$20	\$20	\$28
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 PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-18. Summary of Program Finances: Non-Residential Participation in Smart Appliance Recycling (C&I)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$4	\$4	\$8
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$4	\$4	\$8
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹⁾	\$6	\$6	\$14
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$6	\$6	\$14
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:			
Per PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-19. Summary of Program Finances: Non-Residential Participation in Smart Appliance Recycling (GNI)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$1	\$1	\$1
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$1	\$1	\$1
Design & Development	\$0	\$0	\$0
Administration, Management, and Technical Assistance ¹¹	\$1	\$1	\$2
Marketing	\$0	\$0	\$0
Subtotal EDC Implementation Costs	\$1	\$1	\$2
EDC Evaluation Costs	\$0	\$0	\$0
SWE Audit Costs	N/A	N/A	N/A
Total EDC Costs¹²	N/A	N/A	N/A
Participant Costs¹³	N/A	N/A	N/A
Total TRC Costs¹⁴	N/A	N/A	N/A
NOTES:			
<i>Per PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-20. Summary of Program Finances: Non-Residential Participation in Smart Home Rebates (C&I)

	Quarter (\$000)	PYTD (\$000)	Phase II (\$000)
EDC Incentives to Participants	\$0	\$0	\$5
EDC Incentives to Trade Allies	\$0	\$0	\$0
Subtotal EDC Incentive Costs	\$0	\$0	\$5
EDC Implementation Costs			
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			
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 PA 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 of 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.			

Sources: PECO and Navigant analysis

Table 4-21. Summary of Program Finances: Non-Residential Participation in Smart Home Rebates (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⁾	\$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 PA 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 of 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.			

Sources: PECO and Navigant analysis

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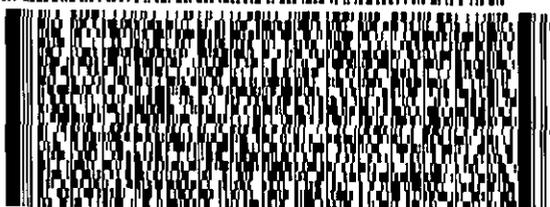
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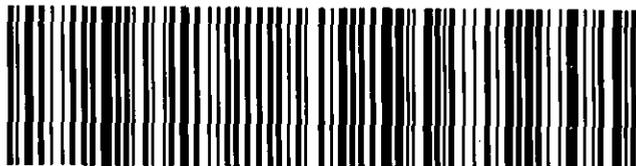
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