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August 9, 2011

VIA HAND DELIVERY

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17120

Re: Petition of West Penn Power Company for Amendment of the Orders Approving Energy Efficiency and Conservation Plan and Petition for Approval of Amended Energy Efficiency and Conservation Plan; Docket No. M-2009-2093218

Dear Secretary Chiavetta:

Enclosed are an original and three (3) copies of the Petition of West Penn Power Company for Amendment of the Orders Approving Energy Efficiency and Conservation Plans and Petition for Approval of its Amended Energy Efficiency and Conservation Plans. Copies of this document have been served as indicated on the attached Certificate of Service.

Very truly yours,

John F. Povilaitis /KA

JFP/kra
Enclosure
cc: Certificate of Service

Doc. 77191

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of West Penn Power Company for Amendment of the Orders Approving Energy Efficiency and Conservation Plan and Petition for Approval of Amended Energy Efficiency and Conservation Plan	:	**Docket No. M-2009-2093218**

PETITION OF WEST PENN POWER COMPANY FOR AMENDMENT OF THE ORDERS APPROVING ENERGY EFFICIENCY AND CONSERVATION PLANS AND PETITION FOR APPROVAL OF ITS AMENDED ENERGY EFFICIENCY AND CONSERVATION PLANS

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Dated: August 9, 2011

INTRODUCTION

Pursuant to 52 Pa. Code § 5.572 and 66 Pa.C.S. § 703(g), West Penn Power Company ("West Penn" or "Company") hereby files this Petition requesting that the Commission amend, consistent with this filing, its January 13, 2011 Order, in which the Commission approved West Penn's Energy Efficiency and Conservation ("EE&C") Plan currently in effect ("Current Plan"). Specifically, West Penn asks that the Commission approve the proposed changes to the Current Plan as set forth in the amended plan which is attached as Exhibit A (hereinafter, "New Plan"), including without limitation, the amended rates for the EE&C Surcharge tariff ("EE&C Surcharge").

BACKGROUND

A. Initial Plan Filings

1. On October 15, 2008, Governor Edward G. Rendell signed House Bill 2200 into law as Act 129 of 2008 ("Act 129"), 66 Pa.C.S. § 2806.1 *et* seq. Act 129 became effective on November 14, 2008, and imposed new requirements on Pennsylvania's electric distribution companies ("EDCs") in the areas of EE&C, smart meters, electricity procurement and alternative energy sources.

2. Act 129 requires an EDC with at least 100,000 customers to adopt and implement a plan, approved by the Commission to reduce energy demand and electricity consumption within its service territory.

3. West Penn filed its original EE&C Plan on July 1, 2009. On October 23, 2009, the Commission entered an Order in this case approving in part and rejecting in part West Penn's original EE&C Plan. The Commission ordered West Penn to submit a revised EE&C plan within 60 days.

4. West Penn timely submitted a revised EE&C Plan ("Revised Plan"). By Opinion and Order dated March 1, 2010, the Commission approved in part and rejected in part the Revised Plan. The Commission ordered West Penn to submit a further revised EE&C plan within 60 days and permitted implementation of the non-rejected portions of the Revised Plan.

5. On April 29, 2010, pursuant to the Commission's March 1, 2010 directive, West Penn filed another revised EE&C plan ("Second Revised Plan"). On June 23, 2010, the Commission entered an Order approving West Penn's Second Revised Plan.

B. <u>First Amended Plan Petition</u>

6. On January 15, 2009, the Commission adopted an Implementation Order establishing standards for the EE&C Plans, including a requirement to submit annual reports outlining the results from the implementation of their EE&C plans. The Implementation Order did not contain a deadline for filing the annual reports.

7. On June 25, 2010, the Commission provided additional guidance to the EDCs regarding the annual reporting requirements and required the EDCs to submit their annual reports by September 15, 2010. The Commission also permitted the EDCs to submit proposed changes to their EE&C plans at that time.

8. On September 1, 2010, the Commission issued another Secretarial Letter providing the requirements for submitting revised EE&C plans should the EDCs wish to revise their EE&C plans during the annual reporting process.

9. The September 1, 2010 Secretarial Letter also recognized that the orders approving the EDCs' EE&C plans also allowed EDCs to propose a plan change

through the Commission's standard procedures for rescission and amendment of Commission orders under 52 Pa. Code §§5.41 and 5.572.[1]

10. On September 10, 2010, in accordance with the September 1, 2010 Secretarial Letter, West Penn filed a Petition for Approval of its Amended EE&C Plan ("First Amended Plan").[2] West Penn's First Amended Plan removed four programs that relied on smart meter technology, maintained two voluntary programs related to smart meter technology, and made other miscellaneous changes to the Second Revised Plan – the plan then in effect -- based on the elimination of the afore-mentioned programs and additional experience gained while the Second Revised Plan was in effect.

11. On December 3, 2010, at the evidentiary hearing on the First Amended Plan, West Penn presented as exhibits three separate Joint Stipulations between the Company and stakeholders that resolved all disagreements between West Penn and those parties.

12. On December 10, 2010, the parties filed letters variously stating acceptance or non-opposition to the three Joint Stipulations and the First Amended Plan as modified by the Joint Stipulations.

13. On December 17, 2010, Administrative Law Judges Dennis J. Buckley and Elizabeth H. Barnes recommended that the Commission approve the Joint Stipulations and First Amended Plan as modified by the Joint Stipulations.

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[1] *See e.g.* October 28, 2009 Order at p.126.

[2] In the proceedings related to the September 10, 2010 plan filed by West Penn, the Administrative Law Judges referred to the September 10, 2010 filing as the "Second Amended Plan." However, for purposes of this Petition, the Company will refer to the September 10th plan as the "First Amended Plan."

14. On January 13, 2011, the Commission accepted the Administrative Law Judges' recommended decision and approved the First Amended Plan as modified by the Joint Stipulations. The First Amended Plan is the plan that is currently in effect and is referred to throughout the remainder of this Petition as "the Current Plan."

15. Consistent with the Commission's Order of June 10, 2011, at Docket No. M-2008-2069887 governing the filing of Plan amendments, West Penn hereby submits a Second Amended Plan (hereinafter, "New Plan"), the description of, and the need for which, is more fully discussed below.

PROPOSED SECOND AMENDED PLAN AND NEED FOR CHANGES TO THE CURRENT PLAN

A. The Merger and the Need for Plan Uniformity

16. On February 25, 2011, Allegheny Energy and FirstEnergy merged, at which time West Penn became part of the FirstEnergy family of companies.

17. Originally, FirstEnergy's family of Pennsylvania EDCs included Metropolitan Edison Company ("Met-Ed"), Pennsylvania Electric Company ("Penelec") and Pennsylvania Power Company ("Penn Power") (collectively, "PA Companies").

18. The PA Companies have designed and implemented relatively uniform EE&C Plans, thus allowing the PA Companies to implement programs on a consistent and cost-effective basis. The PA Companies' EE&C Plans are designed to utilize the same team of internal employees and external contractors to implement the same programs throughout their service territories. Based on preliminary results as set forth in the PA Companies' respective Preliminary Annual Reports for Program Year 2 submitted to the Commission on July 15, 2011, the PA Companies have exceeded their Act 129 May 31, 2011 EE&C requirements. The

. PA Companies were able to comply with these requirements partly because of both the consistency and uniformity among their EE&C Plans and their outsourced implementation approach with experienced Conservation Service Providers.

19. West Penn evaluated the status of its Current Plan and determined that changes are necessary if it is to be put in a position to achieve its post-2011 statutory EE&C requirements. Many of the proposed changes included in the New Plan will make the plan more consistent with those of the PA Companies, thus allowing West Penn to: (i) leverage the successful program offerings that have enabled the PA Companies to achieve their statutory requirements; (ii) reduce overall administrative costs by leveraging the buying power and economies of scale available through the larger FirstEnergy family of Pennsylvania EDCs; (iii) reduce sales and marketing costs by streamlining sales channels and using common promotional materials; (iv) eliminate customer confusion in areas of West Penn that border the PA Companies' service territories; (v) streamline administrative processes, such as program administration and Evaluation, Measurement and Verification ("EM&V") of programs and measures; and (vi) eliminate inconsistent terminology between West Penn and the PA Companies' plans, processes and procedures.

20. By reducing administrative costs, and re-modeling programs based on more current information, funds have been redirected, providing sufficient funding that allows West Penn to: (i) outsource administration of many of the proposed

programs; (ii) offer an additional 35 measures through the New Plan; and (iii) offer a new program.

21. Although the Current and New Plans differ in look, virtually all offerings included in the Current Plan are also included in the New Plan, albeit in a slightly reorganized format. The New Plan also has additional features and benefits even though the total program portfolio budget has not changed from that approved by the Commission when approving the Current Plan, thus offering customers more opportunities to participate in, and benefit from, the program offerings at no additional cost.

22. Pursuant to 52 Pa Code §5.572, the Commission's October 28, 2009 Order, and for reasons more fully discussed below, West Penn respectfully asks the Commission to amend its January 13, 2011 Order as necessary to approve, without modification, all of the proposed changes to the Current Plan as set forth in the New Plan.

B. Supporting Testimony

23. Mr. Edward C. Miller Jr., Manager, EE&C Compliance and Development, is testifying in support of all of the proposed changes included in the New Plan, other than those involving the changes to the EE&C Surcharge, which are being addressed by Mr. Raymond E. Valdes, Advisor for Rates and Regulatory Affairs – Pennsylvania. Mr. Miller's testimony is set forth in West Penn Statement No. 1; Mr. Valdes's testimony is set forth in West Penn Statement No. 2.[3]

C. The New Plan

[3] West Penn reserves the right to introduce and offer additional witnesses and testimony during this proceeding.

24. Like the Current Plan, the New Plan includes a portfolio of EE&C and demand response ("DR") programs, as well as related rate offerings for residential, commercial, industrial, government, school and non-profit customers. Generally, the portfolio of programs in the New Plan includes all of the offerings from programs included in the Current Program, albeit in a slightly reorganized manner, with all but three of the measures included in the Current Plan being offered through the New Plan. Six programs from the Current Plan are also included in the New Plan, with slight changes in program budgets and minor modifications to one of these programs. The total budget for the New Plan is the same as the total budget approved in the Current Plan, even though the New Plan includes an additional 35 measures and one new program. Budgets within customer classes have generally remained the same, with very slight adjustments between customer classes that have a negligible effect on the rates being charged to each of the customer classes through the EE&C Surcharge. Mr. Valdes includes in his testimony the average bill impacts to the various rate schedules, which range from –0.4% for Tariff 37 to +0.2% for Tariff 39, Schedule 22 and 39 (street lighting).

25. The New Plan offers 15 programs and 75 measures, with at least one program being offered to each customer sector as required by the Commission's Implementation Order.[4]

26. When redesigning the Current Plan, West Penn evaluated each and every measure being offered through the Current Plan. These measures were mapped to

[4] *See Energy Efficiency and Conservation Program*, Docket No. M-2008-2069887 (January 16, 2009).

measures being offered by the PA Companies. West Penn's goal when selecting the programs and measures for inclusion in the New Plan was to select measures that produced the greatest energy savings in a cost effective and timely manner, staying within the statutory two percent spending cap, and preferably adding measures that made West Penn's program offerings more consistent with those being offered by the PA Companies.

D. Changes to the Current Plan

27. The New Plan includes changes that can be categorized into one of six types: (i) Rename/Reorganization; (ii) Measure Deletion/Addition; (iii) Program Additions; (iv) Administrative Changes; (v) Budget Updates and Adjustments; or (vi) Cost Recovery Adjustments -- all of which are summarized in Section 1 of the New Plan. Company Witness Valdes explains the need for the changes to the EE&C Surcharge in his testimony (West Penn Statement No. 2) and Company Witness Miller explains the need for the remainder of the proposed changes in his testimony (West Penn Statement No. 1).

28. The Rename/Reorganization changes are summarized on WPP Table 5 included in the New Plan. This table shows how all of the programs and common measures included in the Current Plan are reflected in the New Plan. Generally these changes simply rename programs, or reorganize the measures currently being offered through the Current Plan to programs being offered by the PA Companies so as to leverage the benefits from such uniformity in program offerings.

29. The Measure Deletion/Addition changes are summarized on WPP Table 6, which maps each of the 35 new measures to the New Plan, showing the programs through which these new measures will be offered. These measures were selected after West Penn's EE&C team gathered data from: (i) experience gained since the Current Plan was approved; (ii) participation results and costs from programs and measures offered by West Penn and the PA Companies; (iii) information obtained during a workshop hosted by the Commission in which the Pennsylvania EDCs shared best practices and other information related to their respective programs; and (iv) input from ADM Associates Inc., the PA Companies' program evaluator. Then, the EE&C team evaluated each measure based on cost per MWh saved, keeping in mind the statutory Act 129 two percent spending cap. West Penn added the vast majority of these measures because they made the New Plan more consistent with the program offerings of the PA Companies, and provided savings in a cost effective and timely manner.

30. Table 6 also lists the three measures offered through the Current Plan that are not included in the New Plan: (1) Clothes Dryers; (2) Programmable Thermostats; and (3) Dishwashers. The clothes dryer and thermostat measures were both eliminated because they are not ENERGY STAR® rated, which makes it difficult for customers and vendors to know which units qualify under West Penn's various programs. The dishwasher measure was discontinued simply to make the program offering more consistent with the programs included in the PA Companies' EE&C Plans, thus streamlining sales channels, evaluation, measurement and verification ("EM&V") procedures, and program administration

and avoiding confusion in the marketplace. Moreover, the other EDCs in the vicinity of West Penn do not offer this measure.

31. Budget impacts arising from the proposed changes included in the New Plan are summarized in WPP Table 4. This table shows current program budgets and the budgets for the programs that will be offered through the New Plan. The overall total plan budget of $94.25 million for the New Plan is the same as the budget included in the Current Plan. The residential sector has a total budget increase of approximately $608,000 and the non-residential sector has an offsetting total budget decrease of the same amount. More specifically, within the overall residential and non-residential sectors:

(a) The main Residential class has an increase of $751,000 with an offsetting decrease of $143,000 in the Residential Low Income sector, resulting in a net change to the Residential class as a whole of $608,000. Although the low income budget has a slight reduction, this sector is actually receiving more measures (such as smart strips, CFLs and energy efficiency conservation kits for multi-family housing) for less money.

(b) The program budget for the Small Commercial and Industrial ("C&I") class has been reduced by $2.8 million, while the budget for the Government sector has increased by approximately $2.2 million. While this may look like a cost shift between these two customer sectors, the budget changes are predominantly due to a change in the way program sector budgets are reflected in the New Plan.

(c) The Large C&I Budget increases by $8,000.

(d) Average bill impacts resulting from the aforementioned budget adjustments range between -0.4% and +0.2%.

32. In an effort to remain consistent with the PA Companies' EE&C Plans, West Penn has incorporated several administrative changes designed to streamline the

administration of programs. These changes are identical to several of the changes included in the PA Companies' EE&C Plans currently pending before the Commission in Docket Nos. M-2009-2092222 (Met-Ed), M-2009-2112952 (Penelec), and M-2009-2112956 (Penn Power). More specifically, the New Plan includes incentive ranges rather than fixed incentive levels and a footnote has been added to many of the program descriptions indicating that new measures may be added as they are approved for inclusion in the most current Technical Reference Manual. Should the Commission approve these administrative changes as part of its approval of the New Plan, then West Penn will not seek additional approval from the Commission for such changes in the future, provided that certain conditions described in Witness Miller's testimony are met.

33. West Penn is adding a new Conservation Voltage Reduction ("CVR") program that closely resembles the CVR program being implemented by PECO. However, unlike PECO's CVR program, West Penn's program is not system wide and West Penn and will reduce voltage on selected circuits by 1.5 percent, rather than 1 percent as is done through PECO's program. EM&V will be based on a custom measure protocol, which West Penn will submit for approval to the Statewide Evaluator for approval once the program is approved. West Penn engaged its EM&V contractor to develop the custom measure protocol and anticipates using an EM&V approach similar to that implemented by PECO.

CHANGES TO EE&C SURCHARGES

34. Act 129 directs the Commission to establish a cost recovery mechanism that ensures that approved measures are financed by the customer class that receives

the direct energy and conservation benefit of the measure and the EDCs' plans must include cost estimates for implementation of all measures.[5]

35. As permitted by Act 129 and 66 Pa. C.S. § 1307, and approved by the Commission by order entered October 23, 2009, along with subsequent orders entered on March 1, 2010, June 23, 2010, and January 13, 2011, West Penn has in place an EE&C Surcharge to recover the costs associated with the development and implementation of EE&C programs included in the Current Plan.

36. With the exception of the Tariff No. 39 residential class and Penn State's Tariff No. 37, West Penn does not have rate schedules dedicated solely to the target market of commercial, industrial, government, school or non-profit customers. Instead, the rate schedules of Tariff No. 39 are available based upon customer electrical size and service voltage and can generally be grouped into the following customer classes:

- *Residential* - consisting of customers served on Schedule 10.
- *Commercial* - consisting of customers served on Schedules 20, 22 and Schedule 30 with billed demands less than 500 kilowatts ("kW").
- *Industrial* - consisting of customers served on Schedule 30 with a billed demand of 500 kW or greater, and Schedules 40, 41, 44 and 46. For purposes of the EE&C programs, Penn State's Tariff No. 37 is classified similar to the industrial rate schedules of Tariff No. 39.

37. Government, school and non-profit customers are served on suitable Tariff No. 39 rate schedules based upon the size of their electrical load and service voltage. With the addition of the new measures included in the New Plan that Company Witness Miller discusses in his testimony (West Penn Statement No. 1), the

[5] 66 Pa.C.S. § 2806.1(a) (11), 66 Pa.C.S. § 2806.1(b)(1)(i)(F).

government sector now also includes street and area lighting customers served on Tariff No. 39, Schedules 51, 52, 53, 54, 55, 56, 57, 58 and 71.

38. Although the EE&C Surcharge was designed on a levelized basis through May 31, 2013, West Penn has annually reconciled this charge, filing by each March 31: (1) a comparison between forecasted EE&C Surcharge revenues billed and actual revenues billed through February of the given year, as adjusted for removal of gross receipts tax; (2) any adjustment to the forecasted EE&C Surcharge revenues anticipated to be billed during March through May of the given year, as adjusted for removal of gross receipts tax; (3) any adjustment to the costs levelized through May 2013 based upon actual costs incurred through February of the given year and any revised estimates for future months, up to the amount permitted to be recovered under Act 129; and (4) the subsequent reconciliation effect to the EE&C Surcharge adjusted for gross receipts tax, and levelized over the period of June 1 of the given year and continuing through May 31, 2013. West Penn will perform a similar reconciliation in March, 2012 and then, consistent with the EE&C Surcharge tariff, perform a final reconciliation after May 31, 2013.

39. The annual reconciliation mechanism and regulatory accounting is identical to that previously authorized and approved by the Commission, including a no interest policy for any over/under-collections as ordered by the Commission in its October 23, 2009 Order in this proceeding.

40. The New Plan updates West Penn's revenue requirements, which result in changes to each customer class's EE&C Surcharge that would become effective

December 1, 2011. In his testimony, Company Witness Valdes provides an overview of the changes to the EE&C Surcharges that are necessary as a result of both updated sales and revenue forecasts and the changes being proposed in this filing. The specific calculations of the rates proposed in the EE&C Surcharges are set forth in Exhibit REV-1, attached to Mr. Valdes's direct testimony, and are also included in Appendix H of the New Plan.

41. Although the rates in the EE&C Surcharge are changing based upon updated program cost estimates and updated sales and revenue forecasts, the methodology used to calculate the surcharge is not changing. Costs are still being allocated to the applicable rate schedule/tariff based on the nature of the EE&C program and the customer classes that are expected to benefit from these programs. As has been done in the past, for the residential class and the commercial customer class served on Schedules 20 and 22, the EE&C Surcharge is expressed as a price per kilowatt-hour ("kWh"). For the commercial customer class served on Schedule 30 with billed demands less than 500 kW, the EE&C Surcharge is expressed as a price per kWh and a price per kW, using the billed kW as the demand basis. For the industrial customer class, the EE&C Surcharge is expressed as a price per kW using a customer's PJM Interconnection, L.L.C. peak load contribution as the demand basis. The EE&C Surcharge is calculated and listed separately in Penn State's Tariff No. 37 and for each applicable rate schedule in Tariff No. 39. For bill presentation purposes, the EE&C Surcharge for residential customers is recovered as an addition to the currently approved distribution rates; whereas the

EE&C Surcharge is a separately stated line-item bill surcharge for all other classes of customers.

42. The proposed rates included in the EE&C Surcharge set forth in Exhibit REV-1 were calculated using the methodology approved by the Commission when it approved the Current Plan.

43. The proposed changes to the EE&C Surcharges, in accordance with 66 Pa.C.S. §1307, will ensure full and current recovery of prudent and reasonable costs, including administrative costs, as approved by the Commission.[6]

44. The total cost of complying with Act 129 EE&C mandates will not exceed 2% of the Company's total annual revenue as of December 31, 2006 excluding: (i) Low Income Usage Reduction Programs pursuant to 52 Pa. Code § 58; (ii) expenditures included in the Company's Consumer Education Program Cost Recovery Rider pursuant to Docket Nos. M-2008-2032275; and (iii) costs associated with funding the Statewide Evaluator as directed by the Commission in its October 23, 2009 Order in Docket No. M-2009-2093218

45. West Penn asks the Commission to approve the EE&C Surcharge and to authorize implementation of the revised rates included therein consistent with this filing.

BENEFITS OF THE FIRST AMENDED EE&C PLANS

46. As demonstrated in the New Plan and related testimony, the New Plan remains consistent with Act 129, is in the public interest and should benefit consumers by providing them with additional cost effective opportunities to reduce electricity consumption.

[6] 66 Pa.C.S. § 2806.1(b)(1)(i)(H).

Doc. 77191

47. The New Plan includes the following positive aspects:

- It offers more measures and a new program all within the currently approved total plan budget, which continues to remain within the 2% spending cap required under Act 129.

- It continues to include a variety of EE&C measures and will provide the measures equitably to all customer classes pursuant to 66 Pa. C.S. §2806.1(a)(5) and the Commission's Implementation Order, offering at least one program to each customer class.

- It continues to include a well-reasoned and balanced test of measures that are tailored to usage and to the potential for savings and reductions for each customer class.

- It continues to be cost effective, passing the Total Resource Cost test on both an total portfolio basis and customer sector basis, and will provide a diverse cross-section of alternatives and reasonable mix of programs that should benefit consumers of all rate classes as required by 66 Pa. C.S. §2806.1(b)(1)(i)(I).

- It is designed to enable West Penn to meet or exceed the post-2011 Act 129 EE&C requirements based on currently available information, including current TRM savings values.

- The estimated costs of implementing the New Plan are prudent and reasonable, are being reasonably allocated, and will be recovered from the customer class receiving the direct benefit of such measures.

COUNSEL INFORMATION

48. The Petitioner's lead counsel in this matter is identified below. All correspondence, notices, documents, orders or other communications with respect to the above-captioned proceeding should be sent (electronically if possible) to:

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with a copy to co-counsel for the Company as follows:

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REQUEST FOR AN EXPEDITED RULING

49. In order to be in a position to comply with its Act 129 post-2011 EE&C requirements, it is imperative that the changes included in the New Plan be implemented as quickly as is practically possible. Time is of the essence, given the compressed time frame in which to achieve such results. Accordingly, West Penn respectfully asks the Commission to resolve issues, if possible, on the basis of comments and replies to comments on the New Plan.

50. In an effort to accelerate the process, the Company plan to host a stakeholder meeting shortly after filing in August so as to explain the changes to interested parties and to provide them with an opportunity to comment and ask questions. The Company also intends to host one or more settlement conferences in the hopes of either resolving the issues raised by this filing, or narrowing the scope of issues for litigation.

Doc. 77191

CONCLUSION

WHEREFORE, West Penn respectfully asks the Commission to amend its January 13, 2011 Order as necessary to (i) approve without modification the changes to the Current Plan as set forth in the New Plan without modification; (ii) authorize West Penn to implement the revised rates included in the EE&C Surcharge tariff charges consistent with this filing; and (iii) issue a final Amended Order as soon as practically possible.

Respectfully submitted,

Dated: August 9, 2011

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of West Penn Power Company for	:	
Amendment of the Orders Approving	:	
Energy Efficiency and Conservation Plans	:	***Docket No. M-2009-2093218***
and Petition for Approval of Amended	:	
Energy Efficiency and Conservation Plans	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service via Personal Delivery, as follows:

Rosemary Chiavetta, Secretary
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West Penn Power Company

Energy Efficiency and Conservation Plan

Act 129 of 2008

Docket No. M-2009-2093218

New Plan

August 9, 2011

Exhibit A

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Energy Efficiency Program	Eligible Measure	Current Plan (09-10-2010) Rebate	New Plan Rebate
Residential			
Residential Home Performance Program	On-line Energy Conservation Kit	Up to $15 per Kit contents	Up to $100 per Kit contents
	EE diagnostic assessments followed by direct installation of selected low cost measures	$50 + 15% up to audit cost	Up to $400
	Installation of additional energy saving building measures	$50 + 15% up to audit cost	Up to $900
Residential Appliance Turn-In Program	Refrigerator/Freezer Recycling	$35 00	Up to $50 Payment
	Room Air Conditioners	$25 00	Up to $50* Payment
Residential Energy Efficient HVAC Equipment Program	ASHP - SEER 14.5 / HSPF 8.5	$100 00	Up to $250**per Unit
	ASHP - SEER 15	$150 00	Up to $325** per Unit
	ASHP - SEER 16 / HSPF 8.5	$200.00	Up to $400**per Unit
	CAC – SEER 14.5 / EER 12	$100.00	Up to $150** per Unit
	CAC - SEER 15 / EER 12	$150.00	Up to $225** per Unit
	CAC - SEER 16 / EER 12	$200 00	Up to $300** per Unit
	CAC/ASHP - Maintenance/Tune-up	$25 00	Up to $60 offered for Qualified Service
	CAC/ASHP - Maintenance/Tune-up qualified Furnace Fan Replacement	N/A	Add $15
	EE Ground Source Heat Pump	$100 - $200	Up to $217 per ton
Residential Energy Efficient Products Program	Solar Water Heating	N/A	Up to $500 per Unit
	HP Water Heater	$225 00	Up to $300 per Unit
	EE Water Heater	N/A	Up to $50 per Unit
	CFL bulbs regular	Up to $1.50	Up to $0 75 to $1.50 off shelf price through retail store
	CFL specialty bulbs	N/A	Up to $2.50 off shelf price through retail store
	Clothes Washer ENERGY STAR®, if home uses Electric Water heater	$75.00	Up to $75* per Unit
	Dehumidifiers	N/A	Up to $10 per Unit
	LED Holiday Light Sets	N/A	Up to $20 Max for 6 Boxes $3.33 per Box
	Variable Speed Pool Pump with timer control	N/A	Up to $200 per Unit
	Refrigerators-Freezers ENERGY STAR® - Side by Side	$50 00	Up to $50* per Unit
	Refrigerators-Freezers ENERGY STAR® - Top Freezer	$50 00	Up to $50* per Unit
	Room Air Conditioners	$25.00	Up to $25 per Unit
	Smart Strip plug outlet	N/A	Up to $10 per Unit
	Torchiere Floor Lamps	N/A	Up to $10 per Unit
Commercial & Industrial			
Commercial and Industrial Equipment Program	AC <65,000 1 Ph	N/A	Up to $150 per Unit*
	AC 65,000 - <135,000	N/A	Up to $250 per Unit*
	AC 135,000 - <240,000	N/A	Up to $300 per Unit*
	AC 240,000 and above	N/A	Up to $350 per Unit
	Commercial CFL Kits	N/A	CFL Kit - Up to $200 per Kit contents
	Clothes Washer CEE Tier1, if Electric Water heater	N/A	Up to $50 per Unit
	ENERGY STAR® Commercial Solid Door Freezers for food service	N/A	Up to $50 per Unit
	ENERGY STAR Commercial Solid Door Refrigerators for food service	N/A	Up to $50 per Unit
	ENERGY STAR® Ice Machines less than 500 lbs	N/A	Up to $50 per Unit
	ENERGY STAR® Ice Machines 500 to 1000 lbs	N/A	Up to $150 per Unit
	ENERGY STAR® Ice Machines more than 1000 lbs	N/A	Up to $200 per Unit
	ENERGY STAR® Steam Cookers or Other Cooking Equipment	N/A	Up to $400 per Unit based on Equipment Savings
	Lighting and Lighting Controls Upgrades	Up to $.04/kWh Savings	Up to $0 09/kWh Savings
	EE Water Heater	N/A	Up to $50 per Unit
	LED Exit Signs (Retrofit Only)	$15 00	Up to $15 per Exit Sign
	Anti-Sweat Heater Controllers	N/A	Up to $0 10/kWh for coolers, Up to $0 05/kWh for Freezers
	Commercial Smart Strip Plug Outlet	$10 00	Up to $10 per Unit
	Pre Rinse Sprayers	N/A	Up to $35 per Unit
	CAC Refrigerant charging correction	$25 00	Up to $10 per Ton
	Strip curtains, walk-in freezer or cooler	N/A	Up to $50 per Door
	Vending Equipment Controller	N/A	Up to $25 per Unit
	HVAC Water Pumps with VFDs	N/A	Up to $30 per HP
	HVAC Fans with VFDs	N/A	Up to $30 per HP
	Other Custom Measures	25% up to $100,000 or 50% up to $500,000	Up to $0.10/kWh savings
Governmental			
Governmental Programs	Lighting and Lighting Control Upgrades	$.08/kWh Savings	Up to $.09/kWh
	LED Auto Traffic Signals	$30 00	Up to $25 Green 8" and $20 Red 8"
	LED Exit Signs (Retrofit Only)	100% of Total Expenditure	Up to $15 per Exit Sign
	LED Pedestrian Signals	$30.00	Up to $25 per Unit
	Walk through Audit	N/A	Upto $5000
	Street Lighting - 175 Mercury to 100 HPS	N/A	Up to $200
	Other Custom Measures	25% up to $100,000	Up to $0 10/kWh savings

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1. OVERVIEW OF NEW PLAN AND SUMMARY OF PROPOSED CHANGES

In accordance with Act 129 of 2008[1] ("Act 129"), 66 Pa. C.S. §2806.1 et seq., West Penn Power Company ("WPP" or "Company") submitted several iterations of an Energy Efficiency and Conservation Plan, the last of which was approved by the Pennsylvania Public Utility Commission ("Commission") on January 13, 2011 ("Current Plan").[2] In early 2011, the Company became a part of the FirstEnergy Corp. ("FirstEnergy") family of Pennsylvania electric distribution companies ("EDCs") along with Metropolitan Edison Company ("Met-Ed"), Pennsylvania Electric Company ("Penelec"), and Pennsylvania Power Company ("Penn Power") (collectively "PA Companies") when its parent company, Allegheny Energy, Inc. merged with FirstEnergy.

As a result of experience gained during the time in which the Current Plan was in effect, the current performance of the Company's Current Plan and programs and the merger, the Company is submitting for approval by the Pennsylvania Public Utility Commission ("Commission" or "PUC") an amended Energy Efficiency and Conservation Plan ("New Plan"). The Company would like to achieve similar cost efficiencies and offer a consistent set of successful energy efficiency and conservation ("EE&C") programs to customers as those provided by the PA Companies.

In developing the New Plan, FirstEnergy EE&C personnel familiar with the EE&C plans of all FirstEnergy Companies, compared each of the programs and measures included in the Current Plan to those being offered through the EE&C plans of the PA Companies, discovering that all but several measures included in the Current Plan were being offered by both the Company and the PA Companies. Second, these common measures were mapped to the PA Companies' program offerings. As a result, many of the programs offered under the Current Plan, were renamed and/or reorganized to be more consistent with the programs being offered through the EE&C plans of the PA Companies. Third, the EE&C Team worked with the PA Companies' program evaluator, ADM Associates, Inc. and based on (i) experience gained since the Current Plan was approved; (ii) participation results and costs from programs and measures offered by West Penn and the PA Companies; (iii) information obtained during a workshop hosted by the Commission in which the Pennsylvania EDCs shared best practices and other information related to their respective programs; and (iv) input from ADM (collectively, "Assessment Input"), evaluated both existing and potential new measures taking into account the cost per kWh saved for each measure. Based on this analysis and evaluation, the EE&C Team selected the measures to be included in the New Plan, established participation levels and corresponding program and measure savings results, and adjusted budgets all within the confines of Act 129's statutory 2% spending cap.

Based upon currently information available the New Plan is designed in a manner that will enable the Company to achieve the goals established under Act 129 for energy savings by 2013 and for energy and peak demand reductions during the summer of 2012, all achieved within the spending caps as required under Act 129 and as prescribed by the Commission. The Company's goals are highlighted in grey in WPP Tables 1 and 2 below[3]:

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[1] Act 129 of 2008 became effective on November 14, 2008, and imposed new requirements on Pennsylvania's electric distribution companies ("EDCs") in the areas of energy efficiency and conservation, smart meters, procurement and alternative energy sources. Act 129 requires an EDC with at least 100,000 customers to adopt and implement a plan, approved by the Commission, to reduce energy demand and consumption within its service territory. 66 Pa. C.S. §§ 2806.1 and 2806.2.

[2] Opinion and Order (Feb. 26, 2010). *See also* Opinion and Order (Oct. 28, 2009), Opinion and Order (Jan. 28, 2010).

[3] In addition to the tables required by the Commission (which are designated as "PUC Tables"), the Company developed additional WPP Tables 1 – 8 and have been included as additional support.

WPP Table 1: Energy Savings Targets per Act 129

Energy Consumption Forecasts and Act 129 Mandated Consumption Reductions as Measured in Megawatt-Hours			
EDC	**Forecast**	**1% at 5/31/2011 Reduction**	**3% at 5/31/2013 Reduction**
West Penn Power	20,938,650	209,387	628,160

Source: Energy Consumption and Peak Demand Reduction Targets, Docket No. M-2008-2069887 (Order entered March 30, 2009).

WPP Table 2: Peak Load Reduction Targets per Act 129

Average Peak Loads Top 100 Hours and Act 129 Mandated Peak Demand Reductions as Measured in Megawatts		
EDC	Load	4.5% Reduction
West Penn Power	3,496	157

Source: Energy Consumption and Peak Demand Reduction Targets, Docket No. M-2008-2069887 (Order entered March 30, 2009).

These targets are to be achieved for the expenditure levels noted below in WPP Table 3, which represent the annual spending caps established by Act 129:

WPP Table 3: Spending Caps per Act 129

Revenues 2006	WPP
Total Revenues	$1,178,130,105
2% of Revenues	$23,562,602

The changes represented in this New Plan can generally be summarized as follows:

1. In the New Plan, the Company proposes to rename programs to align the Company's Current Plan with the EE&C plans of the PA Companies. These wholesale changes to the Current Plan will allow the Company to leverage the management, marketing, implementation and tracking and reporting processes of the PA Companies as it implements an outsource model for program implementation. WPP Table 4 illustrates the alignment of the old programs from the Current Plan with the proposed programs in the New Plan.

   The Current Plan includes a portfolio of 15 EE&C and demand response ("DR") programs, including 7 for the residential sector, and 7 for the non-residential sectors, and one new Conservation Voltage Reduction program for all customer sectors.

2. In the New Plan, the Company proposes to reorganize measures from the Current Plan into new programs. WPP Table 5 illustrates the common measures between the Current Plan and the New Plan and demonstrates that almost all measures in the Current Plan are continuing to be offered in the New Plan, albeit under a new program name. This reorganization allows the Company to align its Current Plan with the plans of the PA Companies and to leverage the marketing and implementation processes of the PA Companies as it implements the programs under the newly reorganized model.

3. In the New Plan, the Company is expanding its programs to include an additional 35 measures that are offered by the PA Companies and other EDCs in Pennsylvania, which substantially increases the number of measures available to customers under the programs all within the Current Plan budget. Several measures being added were identified as best practice based on information from the other PA EDCs. This increases the opportunity for customers to participate in the programs and better coordinates the Company's Plan with the PA Companies and other PA EDCs. The new measures and the corresponding programs are as illustrated in WPP Table 6.

4. In the New Plan, the Company removed three measures from the programs for the Residential customers:

   - Clothes Dryers;
   - Programmable Thermostats; and
   - Dishwashers.

   The elimination of these measures streamlines sales channels and creates other synergies and benefits by making the program offerings among the PA Companies more uniform and consistent with those of the PA Companies. In this instance, the Company was the only FirstEnergy company that offered clothes dryer and programmable thermostat measures, and no EDC in proximity to the Company offered dishwasher incentives. Additionally, neither the Clothes Dryer measure nor the programmable thermostat measure are ENERGY STAR® rated, making identification of eligible equipment difficult for customers and vendors. Based on program implementation experience, the Company discovered that this inability to easily identify eligible equipment is frustrating for participants and creates a large hurdle that negatively impacts program implementation. As a result of the elimination of these measures, along with the remodeling that reduced funding for less effective measures, additional funds were available which allowed the Company to make the various changes, including the addition of 35 new measures.

5. In the New Plan, the Company completed new modeling to represent the entire 4-year Plan. In summary, the Company updated its modeling with Program actuals to date and revised projections for the balance of the Plan. The revised modeling based on actuals to date and revised projections for the balance of the 4-year Plan causes some minor program budget changes within each customer sector. Those budget changes are reflected in WPP Table 4. It is important to note that the New Plan's budget, as a whole, stays the same as the Current Plan and within the 2% spending cap. The shifts are within or between the customer sectors with negligible bill impacts.

   Pursuant to a stipulation entered into as part of the settlement of the proceeding in which the Current Plan was approved, the representatives for the Residential and Large C&I customer sectors agreed to shift $930,000 from the Large C&I budget to the Residential budget. Because of the time frame in which the agreement was reached and the relatively small amount involved, the affected parties and the Company agreed to leave the program budgets as ultimately

proposed in the Current Plan, with the understanding that these budgets would be updated to reflect this cost shift between these two customers sectors when the Company next modified its EE&C plan. The filing of the New Plan creates the first opportunity to make such an update. However, in order to allow interested parties to tie into and track to Current Plan program budgets, the individual program budgets set forth for the Current Plan on WPP-4 were not adjusted in this filing but, instead were adjusted at the customer sector level as evidenced by the separate line item on which the Residential sector budget has been increased by $930,000 and the Large C&I sector has been reduced by $930,000.

6. In the New Plan, the Company is adding a new program for all customer classes, the Conservation Voltage Reduction program. When modeling the New Plan, the EE&C Team concluded that in order to be put in a position to achieve their post-2011 EE&C statutory requirements, the Company had to expand or add extremely cost effective measures to its EE&C plan. The EE&C Team reviewed the programs being offered by the Pennsylvania EDCs, looking for other measures not already identified by the team that fit this requirement; concluding that the conservation voltage reduction ("CVR") program offered by PECO did so.

   The Company's CVR program is very similar to the CVR program implemented by PECO, except that the Company's program will not be system-wide and will reduce voltage by 1.5% instead of 1% as is done in the PECO program. The Company's CVR program strategically selects distribution circuits that have sufficient voltage levels to accommodate the 1.5% voltage reduction while still remaining within the voltage parameters established in 52 PA Code § 57.14(b) ("Voltage Requirements"). The CVR Program is projected to contribute over 5MW of demand savings and 45,000 MWh of energy savings towards the Company's post-2011 EE&C requirements.

A. Proposed Program Changes – Proposed Program changes are as illustrated in WPP Table 4, WPP Table 5 and WPP Table 6 below and as described in more detail as follows.

WPP Table 4 below illustrates the Programs and Program Budgets under the Current Plan (as-filed on September 10, 2010), as compared to the Programs and Budgets of this New Plan:

WPP Table 4 - Plan Program Budget Comparison

Current Plan (As filed 09-10-2010, see Note 1)		New Plan		Net Change
Residential				
Residential Energy Star & High Efficiency Appliance Program	$16,573,857	Residential Appliance Turn-In Program	$3,145,231	
Compact Fluorescent Lighting (CFL) Rewards Program	$3,203,876	Residential Energy Efficient Products Program	$11,783,687	
Residential Whole Home Appliance Efficiency Program	$3,212,673			
		Residential Energy Efficient HVAC Equipment Program	$2,196,347	
Residential Home Performance Program	$9,839,068	Residential Home Performance Program	$16,331,872	
Critical Peak Rebate (CPR) Rate	$1,482,888	Critical Peak Rebate (CPR) Rate - Residential	$1,513,822	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$832,216	
Stipulation Adjustment (See Note 1)	$930,000	N/A	N/A	
Sub Total	$35,052,362	Sub Total	$35,803,256	$750,894
Residential Low Income				
Residential Low Income Home Performance Check-Up Audit & Appliance Replacement Program	$5,494,402	Limited Income Energy Efficiency Program (LIEEP)	$7,315,076	
Residential Joint Utility Usage Management Program	$6,730,519	Joint Utility Usage Management Program	$4,558,515	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$208,054	
Sub Total	$12,224,921	Sub Total	$12,081,645	-$143,276
TOTAL RESIDENTIAL	**$47,277,284**	**TOTAL RESIDENTIAL**	**$47,884,902**	**$607,618**
Small Commercial & Industrial				
Custom Technology Applications Program	$7,348,682	C/I Equipment Program - Small	$21,333,308	
Commercial Products Efficiency Program	$15,300,747			
Commercial HVAC Efficiency Program	$2,202,113			
Time of Use (TOU) with Critical Peak Pricing Rate	$818,047	Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$895,050	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$580,151	
Sub Total	$25,670,590	Sub Total	$22,808,507	-$2,862,082
Large Commercial & Industrial				
Custom Applications Program	$10,780,920	C/I Equipment Program - Large	$9,184,429	
Commercial Products Efficiency Program	Included Above			
Customer Load Response Program	$2,450,260	Customer Load Response Program	$1,811,548	
Customer Resources Demand Response Program	$3,255,443	Customer Resources Demand Response Program	$4,184,667	
Distributed Generation Program	$684,171	Distributed Generation Program	$808,477	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$280,073	
Stipulation Adjustment (See Note 1)	-$930,000	N/A	N/A	
Sub Total	$16,240,814	Sub Total	$16,249,194	$8,380
Governmental				
Governmental Lighting Efficiency Program	$5,061,304	Governmental and Institutional Program	$7,207,363	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$100,026	
Sub Total	$5,061,304	Sub Total	$7,307,389	$2,246,084
TOTAL NON-RESIDENTIAL	**$46,972,708**	**TOTAL NON-RESIDENTIAL**	**$46,365,090**	**-$607,618**
CURRENT PLAN TOTAL	**$94,249,992**	**NEW PLAN TOTAL**	**$94,249,992**	

NOTE 1 - By Stipulation entered into between West Penn and the West Penn Power Industrial Intervenors ("WPPII"), dated December 2, 2010, and approved by the Commission on January 13, 2011, the Company agreed to reduce the budget of the Custom Applications Program by $930,000 and to increase the budget for certain Residential programs by $930,000. The customer sector level budgets reflected in this table have been adjusted to include this agreed upon budget reallocation.

WPP Table 5 below illustrates the measures that are included in both the Current Plan (as-filed on September 10, 2010), and this New Plan:

WPP Table 5 - Common Program Measures		
Common Measures	Current Plan Program (09-10-2010)	New Plan Program
Residential		
Refrigerator - Freezer Recycling	Residential Energy Star & High Efficiency Appliance Program	Residential Appliance Turn-In Program
Room Air Conditioner Recycling		
Clothes Washer Energy Star		Residential Energy Efficient Products Program
Refrigerators-Freezers Energy Star		
Room Air Conditioners		
CFLs	Compact Flouresecnt Lighting (CFL) Rewards Program	
Energy Star Water Heater	Residential Whole Home Appliance Efficiency Program	Residential Energy Efficient HVAC Equipment Program
Air Source Heat Pump		
Central Air Conditioning		
Ground Source Heat Pump		
HVAC - Maintenance		
On Line Audit/EE Kits	Residential Home Performance Program	Residential Home Performance Program
Home Audits w/ direct installed measures		
Whole Building Audit (Test-In)		
Roof Insulation		
Multiple Family - CFLs		
Behavior Modification		
CFLs Promotional		Residential Energy Efficient Products Program
Critical Peak Rebate	Critical Peak Rebate (CPR) Rate	Critical Peak Rebate (CPR) Rate - Residential
Residential Low Income		
Joint Utility Usage Management Program	Residential Joint Utility Usage Management Program	Joint Utility Usage Management Program
Audits with Direct Install Measures	Residential Low Income Home Performance Check-Up Audit & Appliance Replacement Program	Limited Income Energy Efficiency Program (LIEEP)
Appliance Replacement	Residential Low Income Home Performance Check-Up Audit & Appliance Replacement Program	Limited Income Energy Efficiency Program (LIEEP)
Small Commercial & Industrial		
Custom Projects[2]	Custom Technology Applications Program	C/I Equipment Program - Small
T8 Lighting[1]	Commercial Products Efficiency Program	
T5 Lighting[1,2]		
Occupancy Sensors[1]		
LED Exit Signs		
Plug Load Controls		
CFLs		
HVAC - Maintenance	Commercial HVAC Efficiency Program	
Time of Use Critical Peak Pricing	Time of Use (TOU) with Critical Peak Pricing Rate	Time of Use (TOU) with Critical Peak Pricing (CPP) Rate
Large Commercial & Industrial		
Custom Projects	Custom Applications Program	C/I Equipment Program - Large[1]
Customer Load Response	Customer Load Response Program	Customer Load Response Program
Customer Resources Demand Response	Customer Resources Demand Response Program	Customer Resources Demand Response Program
Distributed Generation	Distributed Generation Program	Distributed Generation Program
Governmental		
CFLs	Governmental Lighting Efficiency Program	Governmental and Institutional Program[2]
T8 Lighting		
LED Exit Signs		
LED Auto Traffic Signals		
LED Pedestrian Signals		

1. Measure also included in C/I Equipment Program - Large
2. Measure also included in Governmental and Institutional Program

WPP Table 6 below illustrates the new measures that are included in this New Plan:

WPP Table 6 - Proposed New and Removed Program Measures New Measures	
Measures	**New Program**
Residential	
Energy Star Dehumidifiers	Residential Energy Efficient Products Program
Holiday Lights	
Variable Speed Pool Pump	
Smart Strip Plug Outlet	
Torchiere Floor Lamps	
Energy Star Televisions	
Energy Efficient Water Heater	
Furnace Fans	Residential Energy Efficient HVAC Equipment Program
Pool Pump Reprogramming	Residential Home Performance Program
Energy Star Windows	
Duct Sealing	
Residential Low Income	
Extra Measures to LIURP (Incl CFLs, Smart Strips)	Limited Income Energy Efficiency Program (LIEEP)
EE Kits (Incl Multi Family and Low Usage)	
Small Commercial & Industrial	
AntiSweatHeater Controls	C/I Equipment Program - Small
Energy Star Commercial Solid Door Freezers	
Energy Star Commercial Solid Door Refrigerators	
Energy Star Ice Machines	
Energy Star Steam Cookers	
Energy Efficient Water Heater	
Direct Install Suite	
Pre Rinse Sprayers	
Strip Curtains	
Vending Equipment Controller	
VFD's - Water Pumps	
VFD's - HVAC Fans	
VFD's - Air Compressors	
Master Metered Multifamily CFLs	
Air Conditioning	
Evaporator Fan ECM Motors	
Large Commercial & Industrial	
VFD's - Water Pumps	C/I Equipment Program - Large
VFD's - HVAC Fans	
VFD's - Air Compressors	
Governmental	
Street Lighting	Governmental and Institutional Program
Master Metered Multifamily CFLs	
Commercial, Industrial Audits	
Removed Measures	
Measures	**Current Program (09-10-2010)**
Clothes Dryers	Residential Energy Star & High Efficiency Appkance Program
Programmable Thermostats	
Dishwashers	

B. Modifications to Streamline Program Administration

The Company also made several changes in the New Plan that streamlines the administration of the programs for more cost-effective management of the plan and to provide greater flexibility in the management of the various programs. These changes are identical to those proposed by the PA Companies in their Amended EE&C Plans currently pending before the Commission in Docket Nos. 2009-2092222, et al. These changes are discussed in more detail below.

1. *Expand the use of Incentive Level Ranges* –The New Plan expands the use of these ranges, incorporating them for all of the rebates and other incentives offered by the Company. Under this approach, the Company will have the ability to adjust rebate levels within the range as market conditions warrant, provided that these adjustments do not increase program costs beyond approved budgets. By developing these ranges, the Company can reduce incentives for the programs proving to be effective and avoid overpaying for any measures. Conversely, if it is determined that an incentive is not sufficient, the Company can increase these incentives without missing potential opportunities while waiting for resolution through the regulatory process.

2. *Additional and Replacement Measures* – The New Plan also clarifies through a footnote that new measures may be added as appropriate as they are approved for inclusion in the TRM. Absent direction from the Commission to the contrary, the Company will add these new measures within existing program budgets without seeking additional approval from the Commission prior to implementation, but instead will provide details, including revised TRC calculations, in their quarterly reports. This approach will minimize the risk of missing potential opportunities as they arise.

WPP Table 7a-7c summarizes the programs that are included in the New Plan. Detailed descriptions of the programs are provided in Section 3 as required by the Commission template. It is the intention of the Company to attempt to coordinate with other EDCs on a statewide basis those programs marked with an asterisk (*). WPP Table 8 separately lists the rebate amounts per measure for those programs that involve customer incentives. Other programs were considered and analyzed, as were other energy efficiency technologies, but were eliminated from the New Plan for various reasons, including cost effectiveness and budgetary constraints.

AWPP Table 7a: EE&C Programs - Residential		
Program	Description	Incentive Strategy
Residential Appliance Turn In Program	Provides financial incentives to customers for turning in older inefficient appliances.	Incentives are available for measures qualifying under the program.
Residential Energy Efficient HVAC Equipment Program	Provides financial incentives supporting implementation of contractor-installed energy efficient HVAC, or other eligible systems.	Incentives are available for measures qualifying under the program.
Residential Energy Efficient Products Program	Provides financial incentives and support to customers directly or through retialers for implementing energy efficient products., such as Energy Star® qualified appliances or compact fluorescent light bulbs.	Rebates and incentives are available for measures qualifying under the program. High efficiency and heat pump water heaters are included in this program.
Residential Home Performance Program	Provides two levels: 1) self-adminstered on-line audit and 2) an on-site audit with Check-Up or Comprehensive options performed by a certfied auditor and a Behavioral Component.	Upon completion of the on-line audit participating customers will be offered an energy efficiency kit. On-site audits, at a subsidized cost to the participating customer, include installation of CFLs and other basic energy saving measures. This program provides discounted pricing for eligible measures toward the cost for duct sealing and insulation. The Behavioral component will provide basic energy conservation education, information and strategies that provide customers with opportunities to reduce energy costs.
Critical Peak Rebate (CPR) Rate – Residential	A rebate rate offering that encourages residential customers to lower their energy demand during peak load hours by offering a rebate based on their actual energy demand.	The rider provides an incentive of up to $0.50 per kWh to participating Residential customer who curtail load during the top 100 hours as notified by the Company.
Conservation Voltage Reduction (CVR) Program	Strategically reduce voltage across designated portions of the Company's distribution system. Energy and demand savings vary depening on load type.	No customer incentive is provided
Limited Income Energy Efficiency Program (LIEEP)	A program that educates customers on EE&C and improves overall home performance by providing the installation of EE&C measures. Includes replacement of refrigerators and distribution of energy saving kits	Current LIURP participants will receive additional measures not provided under the current program. Low usage and other customers will be provided measures and energy educational materials. Additional low-income customers will receive audits with direct install measures and qualified appliance replacement.
Joint Utility Usage Management Program (JUUMP)	A program that leverages resources and funding to provide comprehensive energy saving measures and weatherization services to low income customers through partnership with gas utilities.	Participants will be provided weatherization measures through partnership with gas utilities. Low usage and other customers will be provided measures and energy educational materials. Additional low-income customers will receive audits with direct install measures and qualified appliance replacement.

WPP Table 7b: EE&C Programs - Commercial & Industrial		
Program	**Description**	**Incentive Strategy**
C/I Equipment Program - Small	Provides financial incentives and support to customers directly or through retialers for implementing energy efficient equipment and products. Other delivery mechanisms may include EE kits provided to participants and audits coupled with direct installation of low cost measures.	This program provides incentives for a portion of the incremental technology costs of high efficiency measures. In addition, it will provide technical support, rebates, and support access to project financing. Incentives will also be available to customers and through distributors.
C/I Equipment Program - Large	Provides financial incentives and support to customers directly or through retialers for implementing energy efficient equipment and products. Other delivery mechanisms may include EE kits provided to participants and audits coupled with direct installation of low cost measures.	This program provides incentives for a portion of the incremental technology costs of high efficiency measures. In addition, it will provide technical support, rebates, and support access to project financing. Incentives will also be available to customers and through distributors.
Conservation Voltage Reduction (CVR) Program	Strategically reduce voltage across designated portions of the Company's distribution system. Energy and demand savings vary depening on load type.	No customer incentive is provided
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	A rate offering that encourages customers to lower their demand and energy consumption during on-peak and peak load periods by charging a higher price during these periods and a lower price during off-peak periods, that reflects the cost of serving customers during these periods.	The incentive to reduce load resides within the rate schedule and encourage a customer to reduce or shift load from critical-peak and on-peak period to the off-peak periods.
Customer Load Response Program	A program that provides demand response with participating customers by contracting with customers for load reduction during peak load hours. Customers will receive payment for their participation in Company demand response events.	The Company will provide incentive payments to participating customers that reduce load during the top 100 hours, which will be based on the actual load reduction during the events.
Customer Resources Demand Response Program	This program is designed to focus on reducing demand during the 100 highest peak load hours of the year. The Company will contract 3rd Party PJM Curtailment Service Providers or Customer Curtailment Service Providers (CSPs) who will develop a portfolio of callable load response resources that will be dispatched for demand response activities during the top 100 hours, June 1 to September 30.	The Company will pay the 3rd party vendors for the actual load reductions that occurred during the demand response events. The participating customers will receive incentives based on individual contracts between the CSP and will be based on the actual load reduction during the events.
Distributed Generation Program	A program that provides demand response with participating customers by deploying customer-owned standby generation during peak load hours. The Company will contract with third party dispatchable generation provider(s) to operate, maintain and dispatch a customer's standby generator.	The Company will provide incentive payments to participating customers that operate their standby generation per dispatch requirements of the top 100 hours. The payments will be based on the actual load reduction during the events.

WPP Table 7c - EE&C Programs - Governmental & Institutional		
Program	Description	Incentive Strategy
Governmental and Institutional Programs	Provides financial incentives and support to customers directly or through retialers for implementing energy efficient equipment and products. Other delivery mechanisms may include EE kits provided to participants and audits coupled with direct installation of low cost measures.	This program provides incentives for a portion of the incremental technology costs of high efficiency measures. In addition, it will provide technical support, rebates, and support access to project financing. Incentives will also be available to customers and through distributors.
Conservation Voltage Reduction (CVR) Program	Strategically reduce voltage across designated portions of the Company's distribution system. Energy and demand savings vary depening on load type.	No customer incentive is provided

The following table lists the planned rebates and customer incentives associated with each of the programs above. Incentives to trade allies and other delivery agents are not included here. More detail is provided in the individual program descriptions in Section 3. It should be noted that for some measures, there will be limits as to the number of units that will be rebated to any one customer or through any one program in order to stay within the budgetary assumptions. In addition, all commercial and industrial rebates require pre-approval by the Company to enable process management and verification of existing equipment.

WPP Table 8: EE&C Program Rebate Schedule

Energy Efficiency Program	Eligible Measure	Current Plan (09-10-2010) Rebate	New Plan Rebate
Residential			
Residential Home Performance Program	On-line Energy Conservation Kit	Up to $15 per Kit contents	Up to $100 per Kit contents
	EE diagnostic assessments followed by direct installation of selected low cost measures	$50 + 15% up to audit cost	Up to $400
	Installation of additional energy saving building measures	$50 + 15% up to audit cost	Up to $900
Residential Appliance Turn-In Program	Refrigerator/Freezer Recycling	$35.00	Up to $50 Payment
	Room Air Conditioners	$25 00	Up to $50* Payment
Residential Energy Efficient HVAC Equipment Program	ASHP - SEER 14 5 / HSPF 8.5	$100.00	Up to $250** per Unit
	ASHP - SEER 15	$150.00	Up to $325** per Unit
	ASHP - SEER 16 / HSPF 8.5	$200.00	Up to $400** per Unit
	CAC – SEER 14.5 / EER 12	$100 00	Up to $150** per Unit
	CAC - SEER 15 / EER 12	$150 00	Up to $225** per Unit
	CAC - SEER 16 / EER 12	$200 00	Up to $300** per Unit
	CAC/ASHP - Maintenance/Tune-up	$25 00	Up to $60 offered for Qualified Service
	CAC/ASHP - Maintenance/Tune-up qualified Furnace Fan Replacement	N/A	Add $15
	EE Ground Source Heat Pump	$100 - $200	Up to $217 per ton
Residential Energy Efficient Products Program	Solar Water Heating	N/A	Up to $500 per Unit
	HP Water Heater	$225 00	Up to $300 per Unit
	EE Water Heater	N/A	Up to $50 per Unit
	CFL bulbs regular	Up to $1.50	Up to $0 75 to $1.50 off shelf price through retail store
	CFL specialty bulbs	N/A	Up to $2 50 off shelf price through retail store
	Clothes Washer ENERGY STAR®, if home uses Electric Water heater	$75.00	Up to $75* per Unit
	Dehumidifiers	N/A	Up to $10 per Unit
	LED Holiday Light Sets	N/A	Up to $20 Max for 6 Boxes $3.33 per Box
	Variable Speed Pool Pump with timer control	N/A	Up to $200 per Unit
	Refrigerators-Freezers ENERGY STAR® - Side by Side	$50 00	Up to $50* per Unit
	Refrigerators-Freezers ENERGY STAR® - Top Freezer	$50 00	Up to $50* per Unit
	Room Air Conditioners	$25.00	Up to $25 per Unit
	Smart Strip plug outlet	N/A	Up to $10 per Unit
	Torchiere Floor Lamps	N/A	Up to $10 per Unit
Commercial & Industrial			
Commercial and Industrial Equipment Program	AC <65,000 1 Ph	N/A	Up to $150 per Unit*
	AC 65,000 - <135,000	N/A	Up to $250 per Unit*
	AC 135,000 - <240,000	N/A	Up to $300 per Unit*
	AC 240,000 and above	N/A	Up to $350 per Unit
	Commercial CFL Kits	N/A	CFL Kit - Up to $200 per Kit contents
	Clothes Washer CEE Tier1, if Electric Water heater	N/A	Up to $50 per Unit
	ENERGY STAR® Commercial Solid Door Freezers for food service	N/A	Up to $50 per Unit
	ENERGY STAR Commercial Solid Door Refrigerators for food service	N/A	Up to $50 per Unit
	ENERGY STAR® Ice Machines less than 500 lbs	N/A	Up to $50 per Unit
	ENERGY STAR® Ice Machines 500 to 1000 lbs	N/A	Up to $150 per Unit
	ENERGY STAR® Ice Machines more than 1000 lbs	N/A	Up to $200 per Unit
	ENERGY STAR® Steam Cookers or Other Cooking Equipment	N/A	Up to $400 per Unit based on Equipment Savings
	Lighting and Lighting Controls Upgrades	Up to $.04/kWh Savings	Up to $0.09/kWh Savings
	EE Water Heater	N/A	Up to $50 per Unit
	LED Exit Signs (Retrofit Only)	$15 00	Up to $15 per Exit Sign
	Anti-Sweat Heater Controllers	N/A	Up to $0.10/kWh for coolers, Up to $0.05/kWh for Freezers
	Commercial Smart Strip Plug Outlet	$10 00	Up to $10 per Unit
	Pre Rinse Sprayers	N/A	Up to $35 per Unit
	CAC Refrigerant charging correction	$25 00	Up to $10 per Ton
	Strip curtains, walk-in freezer or cooler	N/A	Up to $50 per Door
	Vending Equipment Controller	N/A	Up to $25 per Unit
	HVAC Water Pumps with VFDs	N/A	Up to $30 per HP
	HVAC Fans with VFDs	N/A	Up to $30 per HP
	Other Custom Measures	25% up to $100,000 or 50% up to $500,000	Up to $0.10/kWh savings
Governmental			
Governmental Programs	Lighting and Lighting Control Upgrades	$.08/kWh Savings	Up to $.09/kWh
	LED Auto Traffic Signals	$30 00	Up to $25 Green 8" and $20 Red 8"
	LED Exit Signs (Retrofit Only)	100% of Total Expenditure	Up to $15 per Exit Sign
	LED Pedestrian Signals	$30 00	Up to $25 per Unit
	Walk through Audit	N/A	Upto $5000
	Street Lighting - 175 Mercury to 100 HPS	N/A	Up to $200
	Other Custom Measures	25% up to $100,000	Up to $0 10/kWh savings

* Program will be subject to a quota for budgetary reasons

** Program will have other rebates based on equipment size and may be subject to quotas for budgetary reasons

The program designs presented in this filing cover each of the four market segments: residential, small non-residential, large non-residential, and government (which includes federal, state, and local government or municipalities/school districts/institutions of higher learning and non-profit entities). The New Plan uses a mix of expanded and new services that take maximum advantage of leveraging opportunities, volume cost efficiencies and a variety of delivery channels that are estimated to result in significant levels of customer participation, and allow for the measurement of implementation and behavioral changes.

Residential Sector Programs – Residential programs were designed with a progression from general to specific. Home energy audits are expected to serve as a "portal" (but not a requirement) for the other programs, because they serve a dual purpose of providing customers with information upon which they can act, as well as providing the Company with important baseline information for future impact evaluation. The programs then address a range of first-cost and financing barriers, and tap a variety of delivery channels and vendors. To address the higher first cost of energy efficient appliances and products, rebates are provided. The programs will incorporate monitoring protocols into the implementation process as much as possible so that the measurement and verification ("M&V") activities for each program are credible but not burdensome.

Small and Large Non-Residential Sector Programs – Small and large commercial businesses and industrial customers are similarly addressed by offering targeted information on ways to save energy followed by a choice of prescriptive rebates on selected measures, or a calculated rebate. Custom equipment can be addressed either through performance contracts or calculated rebates based upon the estimated amount of energy savings and demand reductions associated with the project. PJM Conservation Service Providers (CSPs), who will act as demand response aggregators, will also be contracted to deliver kWs of load reduction during the top 100 load hours of system peak demand.

The Commission identified two special groups for specific targeting through the Act 129 EE&C programs: Government Facilities and Low-Income Households.

Governmental Sector Programs –The Plan has program services for three groups -- federal government facilities, local government facilities, schools and facilities operated by non-profit organizations -- all within the Company's service territory. While all non-residential buildings are eligible for the prescriptive and custom energy efficiency programs, special efforts are targeted at this segment in recognition of their unique decision-making and financing processes for making capital improvements to facilities. To get projects completed, the programs will leverage existing company Area Manager relationships and employ experienced vendors who specialize in working with governmental accounts.

Low Income Customer Sector Programs – Within the residential sector programs is a special category of Low Income Customer Sector Programs. The low income customer programs outlined in this Plan will serve a dual purpose of contributing to Act 129 goal attainment and minimizing the percentage of household income that is devoted to energy costs. Enhanced measures and education will be offered in the low income portfolio to give households more control over their energy spending. Maximum effort will be made to capture cost effective

electric energy savings as part of the delivery of the Company's existing Low Income Usage Reduction Program ("LIURP"), by tapping the considerable expertise and existing infrastructure of LIURP contractors (Community Based Organizations ("CBOs") and private contractors). If it is determined that capacity has been reached for these organizations to meet the increased demand and achieve the goals, the Company will enhance the delivery system with additional contractors.

In the low income sector, the existing LIURP program has offered comprehensive energy efficiency services to eligible Pennsylvania households for years. The approach being taken in this area of the Plan is to enhance and accelerate the deployment of services to LIURP-eligible households by providing additional measures to achieve more savings in each visit.

The Company will also provide energy efficient measures and educational materials on behavioral changes that can be made to reduce electricity costs to low income customers. Additional programs (e.g., appliance recycling and energy efficient products) will also increase availability of subsidized energy efficiency services that, where applicable, will also be offered. The New Plan also includes:

Adherence to the TRC test and the TRM – Throughout the planning process the Company has adhered to the requirements of Act 129. The Company, has been fully engaged in reviewing and providing commentary on Commission directives, including those related to the requirements and guidance of both the Total Resource Cost Test and Technical Reference Manual. Moreover, the Company has supported the PUC's efforts and statewide evaluation consultant to develop, as appropriate, additional "custom" or other measures eligible for savings under the TRM. Appendix E lists the savings assumed for non-TRM measures and the sources used to obtain them.

1) **Stakeholder Input** – As indicated above, the Company, in an effort to incorporate other points of view, has obtained the input from various stakeholders through stakeholder meetings and community based organization meetings. In addition, the Company continues to seek stakeholder input throughout the implementation of its EE&C plan. The Company also communicates with other EDCs as they develop and implement their EE&C plans and often exchange ideas, best practices and coordinating insights and initiatives.

The Company will continue their commitment to an ongoing stakeholder process. The Company, along with the PA Companies, will meet with interested parties as needed, but not less than twice annually until May 31, 2013. The Company will host a stakeholder meeting on August 12, 2011 so as to explain the changes to interested parties and to provide them with an opportunity to comment and ask questions, and will utilize the stakeholder process to seek input regarding possible improvements and program implementation. Since the Company faces the risk of penalties in the event of non-compliance with the mandates of Act 129, the Company may not implement all Plan improvements as suggested by parties participating in collaborative discussions.

Environmental Responsibility – As in the past, the Requests for Proposals (RFPs) to implement the New Plan require delivery vendors to take proper care, and include costs for the environmentally responsible disposal of any hazardous materials from old appliances and other energy consuming products. For example, the Company's refrigerator pick up program analysis assumed relatively high disposal cost estimates because it includes costs for the proper disposal of refrigerant chemicals as part of the process. Quotes were obtained from current vendors for this purpose. And, while the Company is not replacing CFLs *per se*, its programs relating to lighting

will advise consumers of the increasing number of recycling sites available at participating retailers for the proper disposal of CFLs so that the small traces of mercury remains contained[4].

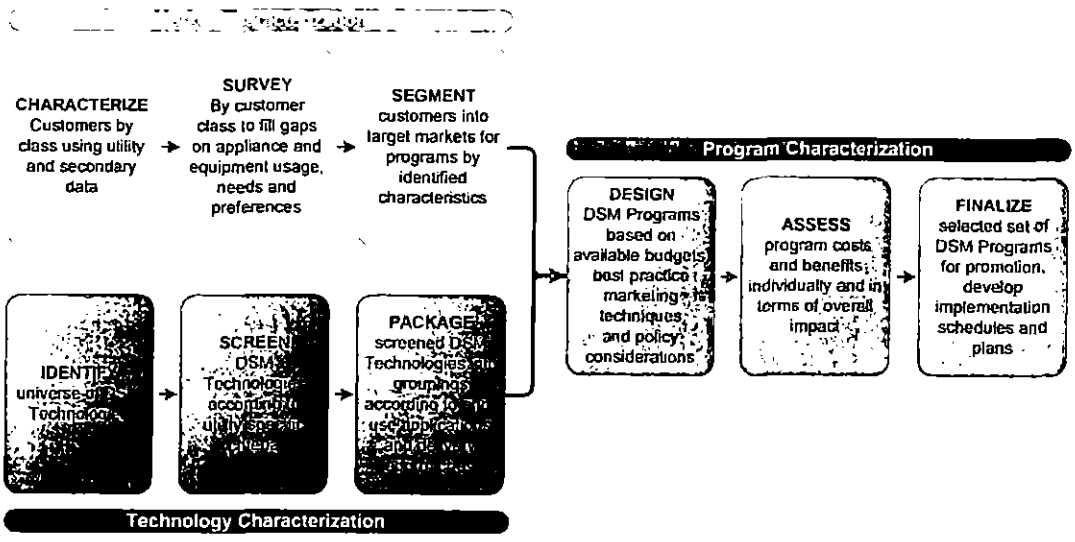
Sensitivity to Federal Initiatives – The Company is aware that certain Federal initiatives and funding opportunities are available and has incorporated such initiatives and opportunities into the New Plan.[5] For example, in order to harness the significant energy savings identified through the Company's market assessment, the Plan accelerates the adoption of CFLs before such federal standards for lighting goes fully into effect. Such acceleration will to be accomplished through a variety of program elements that will reach all of the Company's significant target markets. The New Plan also leverages stimulus and other Federal Energy Efficiency funding initiatives that are currently available to customers by assisting local governments within the Company's service territory who are taking advantage of Energy Efficiency Block Grants. The Company will work with these and other potential communities to enhance their prospects for success through audits for local and county buildings.

1.1. Summary description of process used to develop the EE&C plan and key assumptions used in preparing the plan

Process

Figure 1, below illustrates the process undertaken by the planning team to develop the PA Companies EE&C Plan:

Figure 1: FirstEnergy EE&C Plan Development Process



The Company's approach to develop the New Plan continues to balance four key sources of information:

[4] For example, Home Depot and Lowe's offer CFL recycling locations. Consumers can also find disposal sites via Recycleabulb.com. The Company will include such information in its lighting educational materials

[5] While the Company has incorporated the concept of Federal funding and initiatives into the New Plan, the New Plan assumes that such funding opportunities will exist only in the early years of this long term New Plan. Thus, the portfolio of programs were developed to stand on their own, irrespective of such initiatives and funding.

- External stakeholder experience and opinions captured in Stakeholder meetings and other discussions since implementation of the EE&C plans of the Company, the PA Companies and other Pennsylvania EDCs;
- CSP and implementation vendor experience in delivering programs and program performance to date;
- Industry experience as reflected in the literature and previous contractor evaluation studies; and
- Customer attitudes and preferences.

The Company evaluated more than 100 EE&C measures comprised of measures representing the Company's Current Plan, measures of the PA Companies' EE&C plans, measures identified from other EDCs in Pennsylvania, along with additional energy efficiency measures based upon the Company's consultant input. To support that modeling effort, the Company relied on the incentives and costs of various program elements based on the Company's experience (and the experience of the PA Companies) with like programs. Program modeling was augmented with a significant amount of input from the Company's consultant based on industry experience.

Using all of the data collected, the team developed models to be utilized to assess costs and benefits utilizing the most recent TRM or other industry information. Final program and measure selection was based on an assessment of the combination of measures that fit within the Company's budget constraint, are projected to meet the Company's remaining targets under Act 129 and in consideration of the budget impact to the various customer sectors.

Assumptions and Priorities

There are both universal and program specific assumptions that must be made when modeling the EE&C programs, including discount rates and avoided costs, as well as program specific assumptions involving customer participating levels, forecasted budgets for tasks such as marketing and program administration, and other start up costs. In addition, when designing the New Plan, the Company pursued the following priorities:

- Leverage the portfolio and program design of the PA Companies that have proven to be successful;
- Incorporate the most successful programs and measures with a focus on those programs and measures with greater contributions to the energy and demand reduction targets and in consideration of budget impacts;
- Incorporate additional programs or measures identified as successful from other Pennsylvania EDCs or based on the Company's consultant expertise;
- Leverage existing programs or measures from the Current Plan based on status of implementation or other considerations in relation to the Company's obligations.

While modeling assumptions yielded results that appear to support program success within budget, the Company notes the context within which these programs will be transitioned and implemented over the next year, all of which have risks associated with them. Some of these risks include:

- The economic impact of continued high unemployment rates causes concern that business and government accounts may not support the pace of investment required to achieve the goals, and slow the pace of mass market penetration;

- With the exception of low-income and certain other programs, several programs and measures will be partly new with limited historical basis for participation rates or experience in the Company's service territory which may cause installation rates to be lower than modeled;
- Programs may not have sufficient funding based on actual participation rates of individual program measures differing from the modeling projections;
- The low rates of the Company may not induce customer interest in pursuing energy efficiency projects.
- A project may require higher rebate subsidies or full financing, which may make some programs marginally cost effective or exceed program funding constraints; and
- Reliance on large projects that leverages other funding that does not materialize.

1.2. Proposed modifications to summary tables of program savings goals, budget & cost-effectiveness (PUC Tables 1, 2 and 3) are shown highlighted and are located in Appendix G.

1.3. Summary of program implementation schedule over four year plan period

The proposed time line for New Plan implementation is set forth below. The Company anticipates that the Company will leverage the existing program implementation processes that have been developed for the PA Companies to the extent possible to support timely program transition and implementation. The Company will use one or more external Program Manager(s) to transition and implement the various programs identified in its New Plan. These Program Manager(s) will be responsible for the transition and start-up of new programs and measures, which will include at a minimum the identification of appropriate staffing skills and levels and the hiring of the same, and the development of website(s), promotional strategies, and processes ensuring quality and other controls supporting successful program transition and implementation. The Program Manager(s)' transition and start-up phase will include communication and coordination with Company personnel so as to (i) present seamless processes for customers or allies that wish to participate in the programs' (ii) maximize process efficiency and controls; and (iii) leverage Company relationships and communications with customers.

The Company will contractually obligate the Program Manager(s) to design a transition and start-up phase that will be performed in an organized and efficient manner and that strives to maintain and strengthen constructive relationships with Company program management, customers, trade allies, contractors and other energy program partners when possible.

The transition and start-up period will include a Program Set Up Period:

Program Set Up – Immediately following approval, the Company and Program Manager(s) will work together to develop the transition and Start-up Plan in order to develop the systems and procedures needed to operate the energy efficiency programs for the Company. The transition and Start-up Plan will include, at a minimum:

- Determining the required information transfers between the Program Manager(s), the Company and the Company's other energy efficiency or tracking system contractors;
- Creating, installing and testing necessary data collection systems for program operation and evaluation;
- Establishing a toll-free number and processes for the Company to transfer calls it receives related to the programs;
- Developing detailed processes for managing rebate/incentive applications, rebate/incentive payment processes, reporting procedures, data collection and data recording processes, internal billing and related documentation to be sent to the Company for processing;
- Developing electronic payment between the Company and the Program Manager(s);
- Plans for development and launching promotional strategies, including creation of a website;
- Creating a check processing system (if deemed appropriate); and
- Ensuring all other preparations needed before the programs are launched.

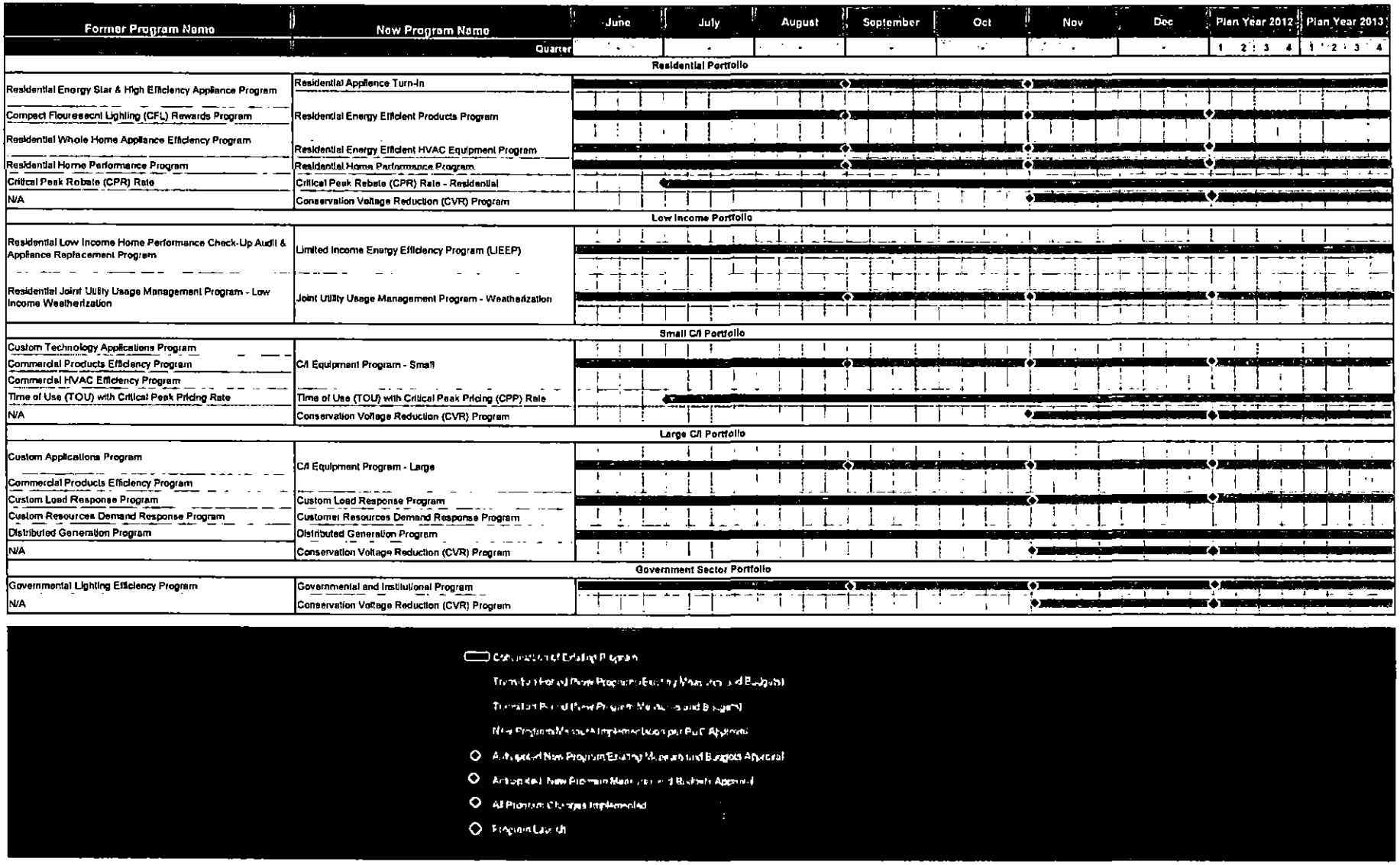
During program transition and set-up, the Program Manager(s) will meet with the Company, its consultant, and tracking system contractors as necessary and appropriate in order to properly introduce the applicable program into the Company's overall comprehensive EE&C plan.

Program Manager(s) will submit a transition and start-up plan. It is anticipated that the plan submitted may be modified at the kick-off meeting. The transition and start up plan will include, at a minimum:

- Organization chart and description of management roles and responsibilities;
- Description and dates of program transition and launch milestones;
- Description of a plan for use of any subcontractors;
- Plan to detail a specific communications strategy; and
- Plan to facilitate or support program tracking systems and reporting.

Figure 2: EE&C Plan Proposed Timeline below details the anticipated transition and start-up plan timing. The schedule anticipates expedited Commission approval for the Company to implement the New Plan portfolio with the same or like programs and new measures in the September/October 2011 timeframe, while other changes including new programs are approved and implemented during the November/December 2011 timeframe. Expedited approval of the New Plan and new measures allows the Company to transition and implement the Plan as timely as possible, while other changes are able to be completed much quicker following Commission approval with the New Plan portfolio in place.

Figure 2: EE&C Plan Proposed Timeline



1.4. Summary description of the EDC implementation strategy to manage EE&C portfolios and engage customers and trade allies.

The Company intends to secure CSPs and implementation vendors in August/September for the current programs so as to enable a timely program transition and implementation of the new programs and measures once the New Plan is approved. Contracts with selected vendors will be contingent upon Commission approval of the CSP contracts and new programs.

The Company will oversee a range of contractors and vendors in the delivery of the programs. Low income residential programs will be served by a mix of Community Based Organizations and private vendors under contract with the Company. The Company will seek a vendor or group of vendors to deliver services to existing residential homes and small commercial customers. Non-residential audits will most likely be performed by a mix of private auditing firms and specialized engineering firms that have the expertise to identify opportunities for specific industries. A performance contracting option will be available to both non-residential businesses and government facilities who wish to pursue comprehensive rather than equipment-specific retrofits. Vendors who hold current awards in the Energy Services Performance Contracting program will generally be responsible for Federal facilities.

1.5. Summary description of EDC's data management, quality assurance and evaluation processes; include how EE&C plan, portfolios, and programs will be updated and refined based on evaluation results.

The Company is committed to designing and implementing robust processes, organizations and systems that achieve the energy savings and demand reduction goals established in Act 129. The Company plans to use a two-fold approach to ensure the quality of its EE&C plan program during implementation:

- Developing processes to clearly detail the steps to meet EE&C goals while complying with applicable requirements; and,
- Devising and implementing control points at various stages of these processes to establish and maintain quality.

Section 6 of this report presents detailed plans regarding the data management quality assurance and evaluation processes for the EE&C plan. Each program description in Section 3 provides a brief description of the planned evaluation monitoring and verification steps intended for each program. Further, the Company is committed to working with the Statewide Evaluation Contractor to support their efforts at evaluating the programs. The Company will conduct process evaluations at the six to twelve month mark as a way to gauge progress toward the achievement of goals and identify issues requiring mid-course correction. All programs will benefit from periodic feedback from vendor-conducted customer satisfaction surveys. In addition to making interim adjustments to programs as suggested by these feedback activities, the Company will propose any major changes it feels are required in its annual reporting to the Commission, or propose a plan change using the Commission's standard procedures for rescission and amendment of Commission orders or the expedited review process outlined in the Commission's June 10, 2011 Order in Docket No. M-2008-2069887. The Company will not shift program funds within a customer class, or between customer classes, without prior Commission approval.

1.6. Summary description of cost recovery mechanism

The Company's proposed Energy Efficiency and Conservation ("EE&C") Surcharge tariff is included as Appendix H. The EE&C Surcharge rates are expressed as a price per kilowatt-hour ("kWh") and/or a price per kilowatt ("kW") basis, and will be billed on the same basis. The EE&C Surcharge rates will be calculated separately for each rate schedule/tariff that has been allocated EE&C program costs, with reconciliation to actual EE&C program costs. The Company is proposing that the EE&C Surcharge rates reflecting the programs and budgets of this New Plan would become effective on one day's notice on the portions of the New Plan the Commission has approved. The EE&C Surcharge rates are capped at the 2% limit based on 2006 revenue. The Company will submit to the Commission by March 31 of each year a reconciliation of the EE&C Surcharge to mitigate the magnitude of the reconciliation balance. The EE&C Surcharge tariff meets the requirements of 66 Pa. C.S. § 1307 as required by the Commission's Implementation Order and Act 129

2. Energy Efficiency Portfolio/Program Summary Tables and Charts

2.1. Proposed modifications to Residential, Commercial/Industrial Small, Commercial/Industrial Large and Governmental/Non-profit Portfolio Summaries (PUC Table 4) are shown highlighted and are located in Appendix G.

2.2. Proposed modifications to Plan data: Costs, Cost-effectiveness and Savings by program, sector and portfolio (PUC Tables 1-4) are shown highlighted and are located in Appendix G.

2.3. Proposed modifications to Budget and Parity Analysis (PUC Table 5) are shown highlighted and are located in Appendix G.

3. Program Descriptions

3.1. Discussion of criteria and process used for selection of programs:

The Company has coordinated EE&C development efforts with the PA Companies to achieve cost efficiencies and offer a consistent set of EE&C programs to customers served by these three companies. As a result, the Company proposes to implement a program portfolio based on the successful program portfolios implemented by the PA Companies. As part of this, the Company proposes to maintain certain programs and measures from the Company's Current Plan as well as to incorporate additional programs and measures from both the PA Companies and other Pennsylvania EDCs that have proven to be successful, in order to improve the performance of the Company's Plan to meet its post-2011 Act 129 targets.

The selection of programs in the New Plan was completed in two steps. First, the development team, compared each of the programs and measures included in the Current Plan to those being offered through the EE&C plans of the PA Companies, discovering that all but several measures included in the Current Plan were being offered by both West Penn and the PA Companies. Second, these common measures were mapped to the PA Companies' program offerings. As a result, many of the programs offered under the Current Plan, were renamed and/or reorganized to be more consistent with the programs being offered through the EE&C Plans of the PA Companies.

As indicated above, the Company relied upon the design of the PA Companies portfolios for developing its New Plan. Figure 1 in section 1.1 depicted the generic process followed by the PA Companies for selecting programs. The steps followed in this process are described below:

1. A large list of DSM/EE technologies underwent an intuitive screening process carried out by a panel of DSM experts using criteria that ranking of commercial availability, meeting the utility's load reduction objectives and cost-effectiveness. Technologies were ranked along these criteria and the top ones carried through for economic analysis.
2. Consumer research was conducted to identify likelihood of participation/technology adoption, barriers to adoption and potential interest in specific services for overcoming those barriers. Current conservation behavior was also measured.
3. Program characteristics were developed at the technology level, including for example (on the cost side) incentive amounts, marketing, administration, vendor costs, incremental measure costs, and the availability of tax incentives or other benefits. On the benefits side, values were taken from the TRM for those measures covered, and were calculated using formulas identified in the TRM for weather-sensitive measures.
4. Technologies were grouped by sector and the end uses addressed (lighting, HVAC, etc.) and considered in light of each of the program types in which the measures might be implemented. Thus CFLs appear in residential audits, low income and business programs and have specific rebate amounts and costs associated with each case.
5. The economic modeling then was carried out and TRC values determined for each grouping.
6. Program designs were then finalized taking into consideration whether each program:

    - Achieves the goals set for in Act 129 and approved by the Commission;
    - Promotes energy savings and demand reduction in a cost effective manner;
    - Passes the TRC as stipulated in the TRM;
    - Is an equitable Plan (i.e., offers technologies and services to all customer segments);
    - Meets the regulatory requirements of Act 129;
    - Simplicity (i.e., easy for customers, CSPs and trade allies to participate);
    - Uses proven delivery strategies;
    - Provides flexibility to address prescriptive as well as customer projects; and

- Leverages existing delivery channels that are working well.

7. Once all programs were designed and evaluated, the New Plan was examined to ensure that the New Plan met these same criteria.

In developing the New Plan, the Company evaluated more than 100 EE&C measures comprised of measures representing the Company's Current Plan, measures of the PA Companies' EE&C plans, measures identified from other EDCs in Pennsylvania, along with additional energy efficiency measures based upon the Company's consultant input. To support that modeling effort, the Company relied on the incentives and costs of various program elements based on the Company's experience (and the experience of the PA Companies) with like programs. Program modeling was augmented with a significant amount of input from the Company's consultant based on industry experience.

When designing the New Plan, the Company pursued the following priorities:

- Leverage the portfolio and program design of the PA Companies that have proven to be successful;
- Incorporate the most successful programs and measures with a focus on those programs and measures with greater contributions to the energy and demand reduction targets and in consideration of budget impacts;
- Incorporate additional programs or measures identified as successful from other PA EDCs or based on the Company's consultant expertise;
- Leverage existing programs or measures from the Current Plan based on status of implementation or other considerations in relation to the Company's obligations.

The New Plan includes a suite of programs that move from the general to the specific, from providing customers with generic information about saving energy to customized information and services to help them make changes in their own specific homes and facilities. The Company will implement specific program marketing activities that will educate customers on energy efficiency and the program options that are available to them.

The next step is to encourage customers – residential and non-residential - to have an energy audit as a starting point in order to identify potential energy efficiency opportunities. These audits will serve a dual purpose, providing both important "as-found" characteristics of homes and equipment before the installation of measures, as well as important information on the age and nature of equipment being replaced. Audits for the residential sector can be accessed on line, or through the use of a contractor who will conduct a walk-through assessment of the home. Different forms of audits, ranging from the on-line audit to a professional investment-grade audit are supported through a single program. In the commercial sector, smaller businesses will have access to an on-line or walk-through audit performed for a fixed fee, while larger or more complex businesses will be offered support for a technical assessment done by a certified contractor. These assessments are typically priced on a per square foot basis. Regardless of customer segment, the audit contractors will install lighting upgrades and (for residential) faucet aerators so that customers can immediately start to realize energy savings.

To facilitate implementation of recommended measures, the Company will also offer a suite of programs that incorporate fixed rebates and calculated incentives, and performance contracts. For eligible low income customers, all measures are provided at no additional cost to customers. Customers are also given incentives for replacing inefficient refrigerators, removing second refrigerators, freezers and old inefficient room air conditioners from the system, and for replacing old

inefficient appliances (e.g. central air conditioners, room air conditioners) with newer, qualifying energy efficient models.

It is critical that the Company builds the capacity for reducing peak load at the 100 hours of highest demand. To that aim, the Company has proposed several peak load reduction programs that leverages the capabilities PJM curtailment service providers (PJM-CSPs) provide their customers and the PJM Load Response Programs. The Company also filed a settlement with the Commission for approval of two dynamic voluntary rate offerings consisting of: (1) a Critical Peak Rebate Rate offering for residential customers; and (2) and a Time of Use with Critical Peak Pricing rate offering for small commercial and industrial default service customers, both of which target the reduction of peak load during the Company's 100 hours of highest demand when notified by the Company. The Commission approved the settlement for dynamic voluntary rate offerings by order entered July 1, 2011 in Case Nos. P-2011-2218683 and P-2011-2224781.

3.1.1. Describe portfolio objectives and metrics that define program success (e.g., energy and demand savings, customers served, number of units installed

The following sections describe general metrics for each program sector. The individual program descriptions contain preliminary M&V protocols for each program.

Residential

Fundamental metrics for program performance include the number of participants, kWh savings, kW peak load reductions, dollars spent, dollars per kWh saved, and dollars per kW of peak load reduction. Additional program metrics for the residential portfolio will follow the designations common to logic modeling of Immediate (Near Term), Intermediate and Long Term metrics.

Immediate Metrics – (numeric, mostly counts) Numbers of customers having an audit, inquiring about a program, registering for a program, or attending an educational event; numbers of trade allies getting trained and certified (certified contractors; numbers of trade allies participating in EE equipment programs).

Intermediate Metrics – (measured via surveys, follow up calls, participation rates, documented kWh savings, application forms, etc.) Number of customers taking action via installing measure(s) and participating in programs, making behavioral changes; number of measures installed; amount of additional non-program measures installed (e.g., the extent to which customers purchase additional CFLs or other measures on their own beyond what is provided through a program).

Long-Term Metrics – (Calculated via TRM savings estimates and other deemed savings until Statewide Evaluator conducts third-party evaluation) kWh savings, kW reductions observed, customer satisfaction levels, self-reported behaviors, perceptions of non-energy benefits such as increased comfort, customer health, home safety, improved bill payment histories, other outcomes; $/kWh and $/kW.

Non-Residential

Fundamental metrics for program performance in this segment are the same as residential above, and include the number of participants, kWh savings, kW peak load reductions, dollars spent, dollars per kWh saved and dollars per kW of peak load reduction. Additional Program metrics for non-residential sector programs are similar to those for residential; however they will take into account the different levels of decision makers that commonly exist on the non-residential side.

Immediate Metrics – Number of customers participating in an audit, registering for other services; number of vendors making inquiries about the programs and seeking to participate in some way.

Intermediate Metrics – Number of customers that have had audits and/or installed some of the recommendations; satisfaction levels; self-reported additional actions taken; and behavioral changes made.

Long Term Metrics – Energy savings and peak load reductions.

Demand Response

Immediate Metrics – Number of customers signing up for the programs.

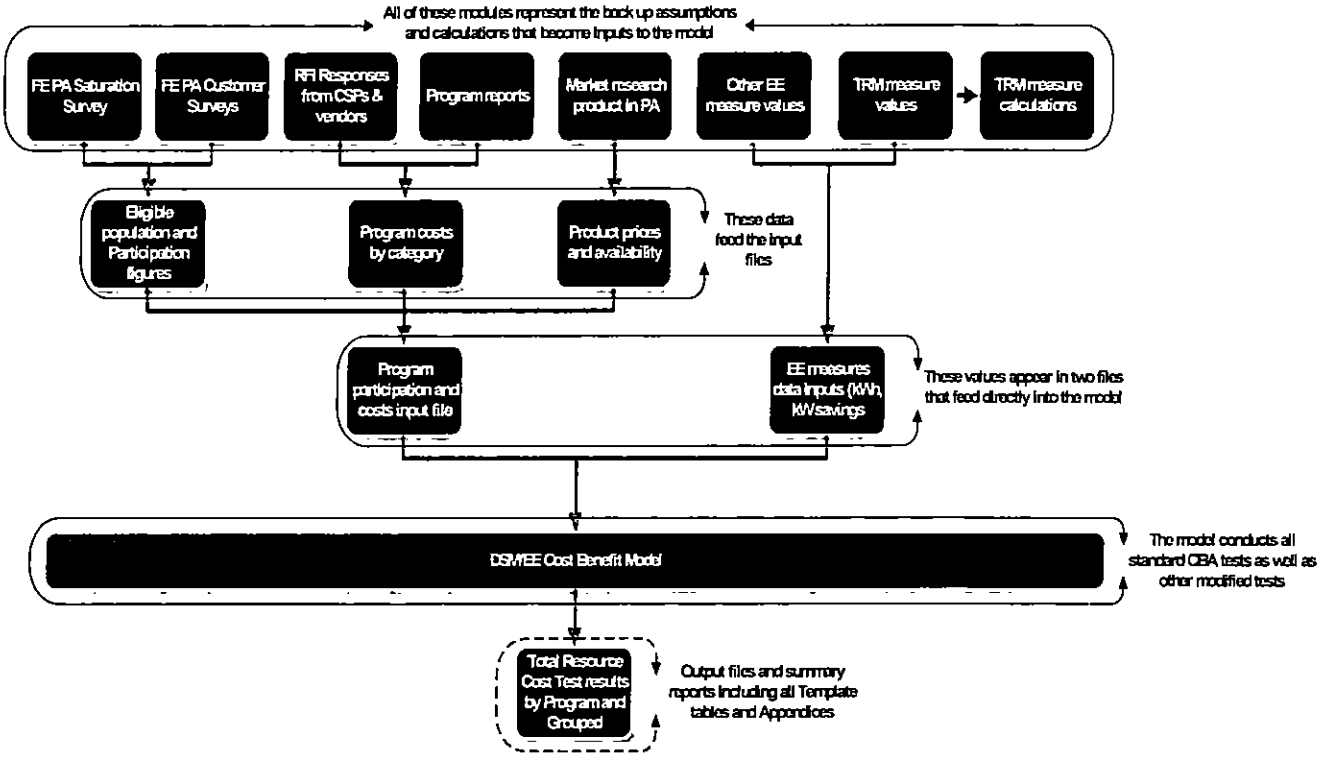
Intermediate Metrics – Actual metered/measured load over time.

Long Term Metrics – Actual peak load reduced during 100 highest peak hours of 2012 (June 1 – September 30)

3.1.2. *Describe how programs were constructed for each portfolio to provide market coverage sufficient to reach overall energy and demand savings goals. Describe analyses and/or research that were performed (e.g., market, best-practices, market modeling).*

Figure 5 presents a schematic diagram of the analyses the Company used to develop programs, based on available information, experience of the Company and the PA Companies and input from the Company's consultant. Generally, the approach is a "bottom-up" approach in that it relies upon detailed customer data to characterize the landscape for change and applies assumptions and participation figures to the eligible population in order to arrive at the potential that exists for energy efficiency and the likely rate of uptake. Starting with individual assumptions about energy efficiency technologies, these are grouped into logical program groupings, incentives are applied along with other program costs, participation levels are assumed and the figures multiplied.

Figure 3: Model Process Diagram



Checks are then made between the results from the "bottom-up" analysis and selected data points (such as number of customers by customer segments and number of kWh sales by class) to see how proportional the savings are to these baseline figures. Logical and intuitive feasibility about the program assumptions is examined next, and adjustments are made as necessary, rebalancing the portfolio as appropriate.

3.1.3. Describe how energy efficiency, conservation, solar, solar photovoltaic systems, geothermal heating, and other measures are included in the portfolio of programs as applicable.

The next section presents individual descriptions of the final program designs. See WPP Table 8: EE&C Program Rebate Schedule for incentive and rebate amounts.

For solar and geothermal heating related equipment please refer to the Residential Energy Efficient Products Program and Residential Energy Efficient HVAC Equipment Program for rebates on solar water heating and geothermal heating system measures.

3.2. Residential Sector (as defined by EDC Tariff) Programs - include formatted descriptions of each program organized under the following headings[6]:

[6] Additional measures may be incorporated, as appropriate, as new measures are approved for inclusion in the TRM.

Program Title and Program years during which program will be implemented	**Residential Home Performance Program** **2009-2013** a) On-Line Audit b) Walk Through Audit c) Residential Whole Building Comprehensive d) Behavioral Modification and Education
Objective(s)	Assist households in identifying energy savings opportunities through self-administered and professional walk-through home audits. Support direct energy savings by providing those who complete the audit with CFLs and other measures. Improve customers' energy management practice through improved access to information and analysis of energy use history and by increasing their awareness of how their behavior and practices impact their energy usage. To provide comprehensive EE diagnostic assessments followed by direct installation of selected low cost measures plus incentives to households for implementation of additional associated measures.
Target market	All residential customers, both renters and homeowners. The target market for the Residential Whole Building Comprehensive component of the program is residential single family homes with electric heat as the primary heating fuel.
Program description	Households will be able to identify energy saving opportunities through various levels of home energy audits: 1) a self-administered on-line audit that analyzes historic energy use, and calculates energy savings based on customer responses to a series of questions, 2) a walk-through on-site audit administered by a trained professional auditor, and 3) a Residential Whole Building Comprehensive audit. The purpose of the audits is to identify energy savings opportunities, to install basic low-cost measures, and to make customers aware of other programs offered by the Company, such as whole house wellness programs or programs they support, such as the Keystone Home Loan Program, to help customers implement the recommendations. The on-line and walk-through on-site audits generate delivery of an efficiency measures kit. For customers interested in a comprehensive audit, the Residential Whole Building component provides comprehensive diagnostic assessments followed by direct installation of selected low cost measures plus incentives to households for implementation of measures addressing building shell, appliances and other energy consuming features. Customers can

	tap into prescriptive rebates. The Behavioral Modification and Education portion of this program is focused on ways customers can implement no-cost or low-cost measures and behaviors that offer opportunities to reduce energy consumption or demand. Such education and awareness is separate from the advertising and promotion of the Company's specific energy-efficiency and demand reduction programs. Awareness and education may include: ☐ Periodic reports to customers that compare their usage with other, comparable customers in the same geographical area. ☐ Outreach emphasizing the importance of peak load reduction during the peak load season and ways to shift energy use to off-peak periods. ☐ General conservation tips such as turning down the thermostat, turning off lights, shortening showers, etc. ☐ Low-cost energy-efficiency tips, such as replacing incandescent lights with CFLs, installing weather stripping, and using power strips. ☐ Information on tools and resources available through FirstEnergy's Web site. ☐ Customer specific actions with regards to seasonality and home profile characteristics
Implementation strategy (including expected changes that may occur in different program years)	This audit programs involve consumer education through generic energy savings tips combined with information customized to a specific dwelling based on either self-reported information or a trained auditor. These programs serve as a portal to other program services. Customers are also referred to solutions, including participating retailers in the EE Products program and the E-store and the Keystone Home Loan Program for financing the balance of project costs. Participation by low-income customers will be tracked or estimated to support reporting and evaluation. For the Residential Whole Building Comprehensive audit, BPI-certified contractors, including community based organizations delivering the WARM program would implement the program. Program services would most likely be coordinated by a national vendor who would develop a pool of local contractors to deliver services to customers. The Behavioral Modification and Education portion of this program would be coordinated by a national vendor who would support development and delivery of information and related services to customers.
Program issues and risks and risk management strategy	Challenges with the website, number of trained auditors, current economic environment may limit customers' ability to purchase energy efficient equipment, lack of program awareness among

	customers and trade allies, damage to a customer's home. There are a limited number of BPI certified contractors available for the Residential Whole Building Comprehensive component in Pennsylvania due to economic stimulus activities. Whole building initiatives (e.g. the Home Performance with Energy Star) in other jurisdictions have had difficulty attracting contractors to adopt the business model, and customers to invest in a comprehensive set of measures. If measures are installed then customers will qualify for the rebates under the EE products program. With respect to risk management, refer to Section 4.1.4 of the EE&C plan. The Company provides further details on "early warning systems" as well as a description of contingency plans.
Anticipated costs to participating customers	The on-line audit is offered at no additional cost to the customer, as well as the kit, once the audit is complete and uploaded. The walk through audit is offered to customers at a reduced fee and the kit is offered at no additional cost. The Residential Whole Building Comprehensive Audit, which includes a blower door test, is offered to customers for a slightly higher fee. Customers would pay the difference between the actual cost of the measures and the incentives provided. The Behavioral Modification and Education portion of this program is offered at no additional cost to the customer.
Ramp up strategy	The on-line audit generates mailing of an energy conservation kit, depending on a customer's electric equipment, containing measures selected by the customer (e.g. a four pack of CFLs and other low cost measures). The Behavioral Modification and Education ramp up includes data analysis and management, branding and marketing, and customer service process development and implementation.
Marketing strategy	The marketing strategy will include: newspaper and radio advertising, Company bill inserts, Company website, employee communications, community presentations and direct mail campaigns as needed. The Company fully expects the Program Manager(s), who will be selected by competitive bid, to provide specific details on marketing for this program.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	All measures are included for potential recommendation. Two audit packages are used – one for the on-line audit and a second more comprehensive audit tool for the site audits. Those completing the audits will receive an energy conservation kit containing: • Choice of kits (kits will contain recognized measures and are subject to revision)

	• One bilingual (English and Spanish) instructional sheet The Residential Whole Building Comprehensive component is a full service program similar to the EPA's Home Performance with Energy Star program that involves test-in test-out blower door procedures, identification and installation of energy savings opportunities and at the contractor's discretion, environmental safety measures. It is a combination information and installation program. The same equipment offered to existing residential customers under the other programs are eligible for installation in new homes under this program. However, customers may not take rebates under both programs. No specific incentives will be provided for the Behavioral Modification and Education portion of this program. Rather, the opportunity for cost savings will be the incentive. The Company will perform periodic reviews of its programs. Specific behavioral messages and educational approaches in this program are expected to evolve over time to correspond with seasonal conditions, and to respond to general customer inquiries, process evaluation results and other factors. For rebate or incentive amounts see WPP Table 8: EE&C Program Rebate Schedule.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	The Company is to verify that the planned number of each type of audits is performed on time and within budget. A sample of on-site audits will be reviewed to check that their actual costs do not exceed the contract cost, and that customers are satisfied with the service. The Company will also verify that existing EE&C opportunities are properly quantified to enable accurate tracking and documentation of energy efficiency and demand reduction. For the Residential Whole Building Comprehensive component, The Company is to verify that the installed measures and comprehensive diagnostics are performed as supported on program applications. The Company will also verify that existing EE&C opportunities are properly quantified to enable accurate tracking and documentation of energy efficiency and demand reduction. As part of the monitoring process, the company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule and within budget, the Company will take appropriate corrective actions.

Administrative requirements – include internal and external staffing levels	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7a
Other information deemed appropriate	None

Program Title and Program years during which program will be implemented	**Residential Appliance Turn-In Program** **2009 – 2013**
Objective(s)	To remove older inefficient appliances from the system by offering customers an incentive and free pick-up and disposal service for refrigerators, freezers and room air conditioners.
Target market	The target market for this program is existing households, multifamily and single family, renters and home owners. Equipment is to be working at the time of pick up.
Program description	Provides a small incentive to households for turning in older inefficient appliances. Pick up of old appliances involves a set dollar incentive to the customer. Large appliances will be picked up over an extended period where others may be turned in at periodic events. For customers purchasing new refrigerators, this program may be coordinated with the Energy Efficient Products program.
Implementation strategy (including expected changes that may occur in different program years)	A vendor will be hired to deliver this program in coordination with other EDCs in Pennsylvania. Regional roll-out and community outreach will support efficiency. Participation by low-income customers will be tracked or estimated to support reporting and evaluation.
Program issues and risks and risk management strategy	The key risk is that appliances will be turned in that were either not being used or are non-functional. Vendors may be required to test appliances before issuing the incentive, or sample a percentage of appliances after pick up to determine what percent of units are not generating energy savings. Pre-testing may result in lower participation but better quality control. Certification/paperwork. Lack of customer awareness. With respect to risk management, refer to Section 4.1.4 of the EE&C plan. The Company provides further details on "early warning systems" as well as a description of contingency plans.
Anticipated costs to participating customers	There are no additional costs for customers to participate in this program.
Ramp up strategy	Vendors exist that can start this program immediately, so we do not anticipate a material start up period before offering services to customers. Regional roll-out.
Marketing strategy	Customers will be alerted to this service through various media and marketing channels (to be determined) to facilitate targeted roll-out of the program, and efficient collection in targeted areas. A broad customer awareness campaign will include introduction of the program and the need for consumers to take energy efficiency actions.
Eligible measures and incentive strategy, include tables for each	▪ Refrigerators

year of program, as appropriate *showing financial incentives &* rebate levels (e.g., $ per measure, $ per kWh or MW saved)	▪ Freezers ▪ Room Air Conditioners For rebate or incentive amounts see WPP Table 8: EE&C Program Rebate Schedule.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	The Company is to verify that the planned number of each type of targeted appliances is collected and disposed of within budget. The Company plans to check that the calculations of kWh and kW savings from appliance retirement are accurate and compliant with applicable requirements including those contained in the TRM. This will in turn enable accurate tracking and documentation. As part of the monitoring process, the company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule and within budget, the Company will take appropriate corrective actions.
Administrative requirements – include internal and external staffing levels	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7a
Other information deemed appropriate	None

Program Title and Program years during which program will be implemented	**Residential Energy Efficient HVAC Equipment Program** **2009-2013**
Objective(s)	Providing a rebate to participating customers or local contractors and dealers is expected to increase penetration of high efficiency HVAC systems. To qualify for this program, the equipment must exceed the efficiency standards as published by the Department of Energy under the ENERGY STAR® program.
Target market	The target market for this program is existing households, multifamily and single family, renters and home owners as well as new construction.
Program description	Provides incentives supporting implementation of contractor-installed HVAC, or other eligible systems in existing or new residential buildings. This program involves promoting the sale of high-efficiency, ENERGY STAR® compliant equipment through installation contractors selling to residential customers who are replacing existing home HVAC equipment. The program will replace existing or standard HVAC equipment in residential applications with heating and cooling systems approved by the ENERGY STAR® program of the US EPA/DOE. The program also provides incentives for maintenance (tune-ups) of existing central air conditioners or heat pump equipment, and will offer an incentive toward replacement of furnace fans meeting Energy Star efficiency guidelines.
Implementation strategy (including expected changes that may occur in different program years)	Program services would be delivered to customers by qualified local contractors identified by an implementation vendor or manufacturer of such equipment. Contractors will certify the proper sizing and installation of high efficiency equipment.
Program issues and risks and risk management strategy	Challenges with vendors or manufacturers, cost of energy efficient equipment, changing technology impact lifecycle cost, current economic environment may limit customer's ability to purchase energy efficient equipment and technology, customer choosing to buy less efficient equipment. With respect to risk management, refer to Section 4.1.4 of the EE&C plan. The Company provides further details on "early warning systems" as well as a description of contingency plans.
Anticipated costs to participating customers	The end user would have the shared rebate as a benefit and also will benefit from lower bills.
Ramp up strategy	Qualifying Service Providers for Maintenance Program.
Marketing strategy	The program envisions that the suppliers and dealers will share, as a competitive marketing tool, the rebate with the end user,

	positioning the supplier or dealer as a lower cost provider.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	Qualifying equipment must meet or exceed ENERGY STAR® standards. Qualified HVAC equipment will include: • High-efficiency central air conditioning units (CAC) • High-efficiency air source heat pumps (ASHP) • High-efficiency ground source heat pumps (GSHP) • Central air conditioning maintenance and furnace fan motor replacement meeting Energy Star guidelines. Customers would receive rebates for the high efficiency HVAC equipment that they install, or can assign rebates to their contractor. For rebate or incentive amounts see WPP Table 8: EE&C Program Rebate Schedule.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Verify that qualifying HVAC equipment is installed and working on customers' premises. Check sample calculations of projected savings for accuracy and for compliance with TRM guidelines. Document and record measure data using specified data transmission protocols, processes and technology. As part of the monitoring process, the company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring.
Administrative requirements – include internal and external staffing levels	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E

Cost-effectiveness – include TRC for each program	See PUC Table 7a
Other information deemed appropriate	For Additional Residential Efficient Equipment Incentives see WPP Table 8: EE&C Program Rebate Schedule.

Program Title and Program years during which program will be implemented	**Residential Energy Efficient Products Program** ***2009-2013***
Objective(s)	To accelerate the adoption of high efficiency appliances and equipment that meets or exceeds ENERGY STAR® or other efficiency ratings.
Target market	Customers that purchase appliances from retailers, including all residential, low income and small commercial customers (replacement of existing units, end-of-life units and new); homeowners and renters in one to four family dwellings. Multifamily renters in low-income projects may also qualify for selected products. For customers purchasing new refrigerators, this program may be coordinated with the Appliance Turn-in Program.
Program description	The Energy Efficient Products Program provides financial incentives and support to retailers that sell energy efficient products. The program includes promotional support, point-of-sale materials, training, promotional events and "up-stream product buy-down" rebates to retailers, distributors or manufacturers for select products. Also includes existing catalogue sales channel, and support for community-based initiatives, or other distribution channels that can reliably document effective distribution of energy efficient products.
***Implementation strategy* (including expected changes that may occur in different program years)**	The message delivered to customers can be accomplished by using a variety of mass marketing tools including utility bill inserts, local newspaper circulars, direct mail, point of sale displays at retailers and the utility web site and on-line store. Retailers and manufactures will also be involved cross promoting product offers in conjunction with national campaigns like Earth Day and Change a Light, Change the World programs. The program will encourage community-based initiatives that support documented distribution of EE products and energy saving results. Such community-based initiatives include outreach through in-school training, college students, faith-based organizations, and municipal initiatives. This program involves developing educational materials on the proper use and selection of high efficiency light bulbs along with product discounts, coupons and price buy-downs to incentivize customers to purchase CFLs, LEDs and other qualifying EE products.
Program issues and risks and risk management strategy	Challenges with vendors or manufacturers, cost of energy efficient equipment, changing technology impact lifecycle cost, current economic environment may limit customer's ability to purchase energy efficient equipment and technology, customer choosing to buy less efficient equipment. Community outreach challenges include collecting reliable documentation related to measures installed and energy savings impacts. With respect to risk management, refer to Section 4.1.4 of the EE&C plan. The Company provides further details on "early warning systems" as well as a description of contingency plans.

Anticipated costs to participating customers	Customers will have to pay the balance of appliance equipment and installation costs not covered by the rebate.
Ramp up strategy	Use dealer incentives and special promotional "events" to encourage sales of high efficiency products, and/or retirement of less efficient equipment (e.g. torchiere lamps) through "buy down" first cost and/or promotion of eligible equipment to customers. Customer rebates available for selected appliances. Appliance and replacement product pick up and disposal services available. Exchange program events for lighting and room air conditioners may be employed at periodic events.
Marketing strategy	This program involves consumer education and dealer marketing and incentives for selling appliances with ENERGY STAR® brand labels. Statewide coordination among electric utilities is being discussed to provide consistency across the state.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	For many of the proposed products being offered in this program, the minimum qualifying efficiency ratings are based on current ENERGY STAR® Qualified Appliances published by the US EPA. ➢ For Rebate Amounts See WPP Table 8 Customer incentives can be in many forms and all are paid by the utility. They can range from a percentage of, to the full purchase price of a light bulb plus an administrative fee paid to the manufactures and retailers in support of the campaign. One incentive could be a mark-down or buy-down program which is a shelf tag, display sticker or end cap sign giving credit for the reduced price to the utility. The discount is paid by the utility based off point of sale purchase data. A second can be coupons through print media or bill inserts. This is a manufacturer coupon offer paid by the utility and redeemed at any participating retailer. Coupons at retail are another method which includes providing a coupon at the point of sale such as a shelf coupon pad that is redeemed at the register. A third method can be rebate forms that are mailed to a clearing house with rebate checks sent direct to customers. A fourth method could be discounts prepaid at the utility's on-line store, which allows customers to shop using the internet.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Verify that qualified products have been sold by dealers seeking payment of incentives by auditing a sample of their claims. Verify that new, more efficient products have been installed through review of documentation provided by retailers, as well as individual participant rebate applications. Document, store and send measure data to state using specified data transmission protocols, processes and technology. As part of the monitoring process, the Company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for

	such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule or within budget, the Company will take appropriate corrective actions.
Administrative requirements – include internal and external staffing levels	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7a
Other information deemed appropriate	The Company will continue to seek consistency in rebate amounts and approaches with other EDCs as appropriate.

Program Title and Program years during which program will be implemented	**Critical Peak Rebate (CPR) Rate – Residential** January 2011 through May 2013
Objective(s)	This rate offering encourages residential customers in the Company's service territory to lower their demand during periods of high system loading.
Target market	This rate offering will target residential customers in the Company's service territory, in conjunction with the installation of smart meters.
Program description	This demand response program encourages customers to lower their demand during peak load hours by offering a rate discount/rebate based on actual demand reduction. The reduction can occur during predefined or notified peak hours. CPR could be competitively neutral to allow customers to continue to pay the same generation charge as on utility provided default service or from an electric generation supplier. CPR relies on the installation of a smart meter to measure the customer's demand during peak hours. Participants will receive additional information to assist them in controlling their demand and their electric bills.
Implementation strategy (including expected changes that may occur in different program years)	This rate offering requires the installation of a smart meter to measure the customer's hourly demand.
Program issues and risks and risk management strategy	This rate offering is most effective when coupled with Smart Meters that provides information about current and past energy consumption. Achieving estimated participation rates is a rate offering risk. The program will be reviewed monthly to determine if participation rates are not as high as anticipated. If participation rates are lagging, the following steps will be evaluated: • Modify marketing strategy, • Modify or eliminate program, subject to PUC approval.
Anticipated costs to participating customers	There are no customer costs to participate.
Ramp up strategy	The implementation timeline for this program will align with the smart metering infrastructure plan.
Marketing strategy	Marketing activities will target eligible customers to inform them of the rate offering, its components, and the associated benefits primarily through bill inserts, direct mail, print and radio advertising,

	and in-bound call center contact.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	Customer incentives will be included as part of the rate offering to encourage customers to reduce load during periods of peak system loading.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Smart meter infrastructure will provide the method for collecting required interval data to support the EM&V of this rate. Performance verification will be based on PJM ELRP protocols for the aggregated hourly load reductions of the participants. The Company will provide a summary of hourly peak load reductions for the aggregated group, with back-up data supporting hourly performance for each customer for Performance Periods using metering data.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7a
Other information deemed appropriate	The Company will continue to seek consistency in rebate amounts and approaches with other EDCs as appropriate.

Program Title and Program years during which program will be implemented	**Conservation Voltage Reduction (CVR) Program** December 2011 through May 2013
Objective(s)	The Company is proposing to implement a Conservation Voltage Reduction (CVR) Program to achieve additional energy savings and demand reductions. Under the CVR Program, the Company will reduce the voltage across designated portions of its distribution system.
Target market	The CVR Program will target residential and non residential customers on select distribution circuits where voltage reduction can be achieved while maintaining voltage within regulatory requirements.
Program description	The CVR Program incorporates voltage regulation techniques on select distribution circuits that result in lower service voltage levels which causes a non transparent reduction of energy consumption and demand by customers. The Company has reviewed its distribution system to identify circuits where the CVR Program could be implemented with limited to no circuit upgrades and within regulatory requirements. The voltage set points for select Company distribution substations with automatic voltage controls (AVCs) and load tap changers (LTCs) will be recalibrated to deliver a 1.5% lower voltage. The voltage will be monitored to ensure that voltage levels do not drop below regulatory requirements.
Implementation strategy (including expected changes that may occur in different program years)	The CVR Program will be implemented by Company employees or contractors who will perform the voltage set point changes at the selected substations. Additionally, if required to resolve individual customer issues as a result of the pilot program, the Company employees or contractors will perform additional voltage mitigation activities, such as balancing loads, installing distribution circuit capacitors, regulators, or larger service transformers and replacing primary or secondary wire. Attributes of CVR includes: • Neutral effect on customer service, • Savings are independent of customer participation, economic environment, and market effects, • Achieves significant energy savings and demand reductions with limited costs. The Company's CVR Program will be implemented at selected substations and circuits, and, with regulatory approvals, will be substantially completed by May 31, 2013. Program monitoring and evaluation, and investigation and resolution of any voltage issues will be performed during implementation.
Program issues and risks and	The implementation of the CVR Program will be studied before the voltage is reduced to determine if the system can operate normally

risk management strategy	during peak loads without causing low voltage. The Company will also monitor voltage on its circuits and customer inquires to identify any voltage related issues as a result of implementation of the program. If necessary, the Company will re-adjust voltage set-points, balance loads, install capacitors and voltage regulators or perform limited conductor improvements to mitigate and resolve any voltage related issues.
Anticipated costs to participating customers	There is no cost for a customer to participate in this program.
Ramp up strategy	None
Marketing strategy	Limited marketing activities are anticipated for this program since it mainly addresses the distribution system and is designed to have a neutral effect on customer service. Some limited customer outreach is anticipated for communications regarding program implementation and assessing or responding to customer inquires related to lowering voltage levels and/or any issue mitigation activities.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	There are no incentives for the program because the Company will automatically control the voltage reductions.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	The Company will complete circuit modeling and utilize the modeling and additional monitoring or metering equipment at the Company's substations to measure and verify savings associated with the CVR Program. The Company is currently developing a savings protocol that builds on the Interim Protocol used for other utilities' CVR programs through its third party measurement and verification contractor.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	Participation metrics are not included as part of this program.
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions	See Appendix E

of savings per measure or project	
Cost-effectiveness – include TRC for each program	See PUC Table 7a
Other information deemed appropriate	None

3.2.1. Low-Income Sector (as defined by 66 Pa. C.S. § 2806.1) Programs - include formatted descriptions of each program organized under the same headings as listed above for residential programs. As well, provide and detail all plans for achieving compliance with 66 Pa. C.S. § 2806.1.

Program Title and Program years during which program will be implemented	**Limited Income Energy Efficiency Program (LIEEP)** **2009-2013**
Objective(s)	The provision of additional electric energy savings measures and whole house services to additional lower income households.
Target market	The target market for this program is households who are income-qualified for the Low Income Usage Reduction Program (LIURP) services (up to 150% of federal poverty guidelines). The program will expand services with additional energy savings opportunities, and expand the services available to additional income-eligible households residing in both residential and commercial properties, and low income, low electric use customers not eligible for LIURP.
Program description	This program is an expansion of, and enhancement to the existing comprehensive Low-Income Usage Reduction Program, that will provide additional electric energy savings measures and services to income-eligible customers. In addition, energy savings kits will be provided when customers do not accept in-home services and/or when their electric use is lower than an average of 600 kWh per month and otherwise not eligible for other low income program services or in other situations that are identified to provide additional measures and obtain additional energy savings.
Implementation strategy (including expected changes that may occur in different program years)	Program services would be delivered by existing Conservation Service Providers, Company staff, and existing LIURP Community Based Organizations ("CBOs") and private contractors, coordinated or augmented by additional private vendors as needed to enhance the capacity of existing agencies and contractors. The Company will give specific consideration for program coordination with the Department of Community and Economic Development (DCED) Weatherization Assistance Program and the NGDC LIURP Program.
Program issues and risks and risk management strategy	Challenges with adding and training contractors if needed and landlord reluctance to permit services.
Anticipated costs to participating customers	Based on income qualification, measures are provided at no additional cost to customers.
Ramp up strategy	Include additional Act 129 measures and services to existing

	LIURP and Act 129 contracts.
Marketing strategy	The marketing strategy for this program may include Company bill inserts, Company website, direct mail campaigns, senior citizen and low-income information fairs and community presentations as needed. Marketing activities will be coordinated with other Act 129 programs, the Company's and other state low-income programs such as the Customer Assistance Program (CAP), Dept. of Public Welfare, PHFA, gas utilities, DCED Weatherization Assistance Program, the NGDC LIURP Program and CBO initiatives.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	Whole house energy conservation services such as those provided by the LIURP Program, replacement lighting, smart power strips, energy education, other residential programs (e.g., appliance recycling, and energy efficient products) will also increase availability of subsidized energy efficiency services. Mailing of an energy savings kit will also be a part of this program when customers refuse in-home services and/or when electric use is lower than an average of 600 kWh per month and otherwise not eligible for other low income program services. All Measures are provided at not additional cost to customers.
Program start date with key schedule milestones	See Figure 2.
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Third-party Quality Assurance vendor will inspect a percentage of completed in-home services and check sample calculations of projected savings for accuracy and for compliance with TRM guidelines. For the post-installation phase, verify that new, more efficient lighting and other measures have been installed. Verify through billing, calculation or other analysis that expected energy savings or demand reduction goals are being achieved. Document, store and send measure data to state using specified data transmission protocols, processes and technology. Review and update whole-house impact assessments as appropriate. As part of the monitoring process, the company plans to use selected indicators to periodically verify that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule or within budget, the Company will take appropriate actions.
Administrative requirements – include internal and external staffing levels	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.

Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7b
Other information deemed appropriate	None

Program Title and Program years during which program will be implemented	**Joint Utility Usage Management Program (JUUMP)** **2009-2013**
Objective(s)	The provision of additional electric energy savings measures and whole house services to additional low income households.
Target market	The target market for this program is households who are income-qualified up to 200% of the Federal Poverty Income Guidelines. The program will be expanded by increasing partnerships with gas utilities and the Department of Community and Economic Development (DCED) Weatherization Assistance Program and services with additional energy savings measures and opportunities.
Program description	This program is an expansion of, and enhancement to the existing comprehensive Low-Income Usage Reduction Program (LIURP) that will provide additional electric energy savings measures and services to income-eligible customers through partnerships with gas utilities and the DCED Weatherization Assistance Program. In addition, energy savings kits will be provided when customers do not accept in-home services and/or when their electric use is lower than an average of 600 kWh per month and otherwise not eligible for other low-income program services or in other situations that are identified to provide additional measures and obtain additional energy savings.
Implementation strategy (including expected changes that may occur in different program years)	Program services would be delivered by a Conservation Service Provider, Company Staff, existing LIURP Conservation Service Provider, and existing Community Based Organizations ("CBOs") and private contractors, coordinated or augmented by additional private vendors as needed to enhance the capacity of existing agencies and contractors. The Company will give specific consideration for program coordination with the DCED Weatherization Assistance Program and the NGDC LIURP Program.
Program issues and risks and risk management strategy	Challenges with adding and training contractors if needed and landlord reluctance to permit services. With respect to risk management, refer to Section 4.1.4 of the EE&C plan. The Company provides further details on "early warning systems" as well as a description of contingency plans.
Anticipated costs to participating customers	Based on income qualification, measures are provided at not additional cost to customers.
Ramp up strategy	Include additional Act 129 measures and services to existing contracts.

Marketing strategy	The marketing strategy for this program may include Company bill inserts, Company website, direct mail campaigns, senior citizen and low-income information fairs and community presentations as needed. Marketing activities will be coordinated with other Act 129 programs, the Company's and other state low-income programs such as the Customer Assistance Program (CAP), Dept. of Public Welfare, PHFA, gas utilities, DCED Weatherization Assistance Program, the NGDC LIURP Program and CBO initiatives.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	Whole house energy conservation services such as those provided by the LIURP Program, replacement lighting, smart power strips, energy education, energy efficiency kits, other low cost measures, other residential programs (e.g., appliance recycling, and energy efficient products) will also increase availability of subsidized energy efficiency services. All Measures are provided at no additional cost to customers.
Program start date with key schedule milestones	See Figure 2.
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Third-party Quality Assurance vendor will inspect a percentage of these completed homes and check sample calculations of projected savings for accuracy and for compliance with TRM guidelines. For the post-installation phase, verify that new, more efficient lighting and other measures have been installed. Verify through billing, calculation or other analysis that expected energy savings or demand reduction goals are being achieved. Document, store and send measure data to state using specified data transmission protocols, processes and technology. Review and update whole-house impact assessments as appropriate. As part of the monitoring process, the company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule or within budget, WPP will take appropriate corrective actions.
Administrative requirements – include internal and external staffing levels	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F

Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7b
Other information deemed appropriate	None

3.3. Commercial/Industrial Small Sector (as defined by EDC Tariff) Programs - include formatted descriptions of each program organized under the same headings as listed above for residential programs.[7]

Program Title and Program years during which program will be implemented	**C/I Equipment Program - Small** 2009-2013
Objective(s)	a) To reduce the first cost of high efficiency equipment thereby encouraging the adoption of high efficient equipment in lieu of standard equipment at the end of the useful life of measures, or as early replacement. b) To provide business customers with comprehensive information related to energy efficiency opportunities identified in building and system performance with an ultimate goal of influencing future customer behavior toward energy efficiency measures and practices.
Target market	All existing commercial, industrial, municipal and multifamily customers with buildings that are customers of the Company.
Program description	a) Prescriptive and performance based incentives will reduce the first cost of high efficiency equipment thereby encouraging the adoption of high efficient equipment in lieu of standard equipment at the end of the useful life of measures, or as early replacement. Provides support for the implementation of cost effective, high efficiency non-standard equipment through authorized contractor networks and traditional channels. Prescriptive and performance based incentives are intended to buy down the first cost of selected equipment or overall job scopes including but not limited to lighting, motors, variable speed drives, food service, HVAC, custom measures, and other energy efficiency technologies as well as delivery of energy efficiency kits requested by small C/I customers, and master metered multi-family customers.
Implementation strategy (including expected changes that may occur in different program years)	a) The program provides prescriptive or performance based incentives offsetting the first cost ("capital costs") of implementing high efficiency equipment. The Company will provide technical customer and trade ally support when needed. The Company through a competitive bidding process will contract with experienced Implementation Providers and/or Program Managers on a performance basis to insure creativity and motivation toward meeting the goal. The Company expects

[7] Additional measures may be incorporated, as appropriate, as new measures are approved for inclusion in the TRM.

	implementation will be traditional and will attempt to align with the PA Companies for consistency across the state. Additionally providing target marketing to specific customer sectors to insure awareness in the program and enhance participation. b) The program also proposes energy audits, and technical assistance and direct installation of measures delivered by the Company's contractor network or contractors of the choice of the customer to small commercial customers. In coordination with PHFA, the Company will support and track participation by low-income multi-family customers in the program.
Program issues and risks and risk management strategy	a) Availability of qualifying high efficiency equipment. The Company will negotiate with manufacturers to increase availability in the PA market for any items that are in demand but are in short supply. b) Business climate may require customer fees or contributions to be reduced or waived in order to encourage participation. Process evaluation will determine if this adjustment is necessary. With respect to risk management, refer to Section 4.1.4 of the EE&C plan. The Company provides further details on "early warning systems" as well as a description of contingency plans.
Anticipated costs to participating customers	Balance of costs of equipment, plus installation costs as relevant.
Ramp up strategy	Program will launch upon selection of an Implementation Provider. (See Section 1.4, Figure 2 for tentative schedule). The Company will contract with experienced Implementation Providers and/or Program Managers on a performance basis to insure creativity and motivation toward obtaining participation and meeting the goal.
Marketing strategy	FirstEnergy's Area Managers will be tapped to provide first line contacts to eligible customers within the target market segments. The Implementation Providers and/or Program Managers will be responsible for ultimate program marketing. The Company will contract with experienced Implementation Providers and/or Program Managers on a performance basis to insure creativity and motivation in marketing strategies toward obtaining participation and meeting the goal. The Implementation Providers and/or Program Manager(s), will provide specific details on marketing for this program.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	a) Incentives will be set at a schedule of payments per unit to address the incremental cost of commercially available energy efficient technology for each equipment category, when compared to the commonly available replacement. b) The audit component provides an energy audit/assessment conducted to document the building's existing equipment and

	efficiency opportunities prior to installation of efficiency measures. For small business, audits are provided at a set cost which includes CFLs to replace existing incandescent lamps based on the audit and customer requirements. Registration will be encouraged in the EPA's Benchmarking Tool that provides additional insights as to energy efficiency levels. Office equipment audits may be included for appropriate building types to ensure proper efficiency settings on equipment, and to identify savings potential for plug loads. For rebate or incentive amounts see WPP Table 8: EE&C Program Rebate Schedule. Tenants in rental properties will be eligible with appropriate approvals from the property owner.
Program start date with key schedule milestones	See Figure 2.
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	a) For the pre-installation phase, for a sample of participants, verify that inefficient HVAC, lighting, food services equipment plug loads and controls are installed and working on customers' premises. Determine current total energy consumption and demand using billing/meter information. Check sample calculations of projected savings and assumptions (e.g. EFLH) for accuracy and for compliance with TRM guidelines. Pre-approval and opportunity for pre-installation inspections is required, with the exception of emergency HVAC replacements. For the post-installation phase, verify through verification inspections that new, more efficient, equipment has been installed. Document, store and send measure data to state using specified data transmission protocols, processes and technology. b) The Company is to verify that the planned number of each type of audits is performed on time and within budget As part of the monitoring process, the company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule and within budget, the Company will take appropriate corrective actions.
Administrative requirements – include internal and external staffing levels	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.
Estimated participation – includes tables indicating metric(s) with	See Appendix F

target value(s) per year	
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7c
Other information deemed appropriate	Custom measures will be rebated based upon an analysis of potential energy savings on a case by case basis.

Program Title and Program years during which program will be implemented	**Time of Use (TOU) with Critical Peak Pricing (CPP) Rate** January 2011 through May 2013
Objective(s)	This rate offering encourages small commercial and industrial and governmental/non-profit customers to lower demand and energy consumption during peak load hours.
Target market	This rate offering targets the Company's small commercial and industrial and governmental/non-profit customers under 500 kW in the Company's service area receiving default service, in conjunction with the installation of smart meters.
Program description	TOU rates reflect the cost of serving customers during different time periods, but do not change as frequently as hourly. TOU encourages commercial, industrial, government, school, and non-profit customers under 500 kW to lower their demand and energy consumption during on-peak periods by charging a higher price that reflects the higher cost of serving customers, and charging lower prices during off-peak periods that reflects the lower cost of serving customers. TOU also includes critical peak pricing that is designed to address the short-term need to reduce demand at the time of the system peak by charging prices significantly higher than on-peak periods. Critical peak pricing periods will vary in frequency and duration using predefined or notified peak hours, but will balance the need to keep the period as short as possible to effectively allow customers to reduce demand or shift usage to lower cost periods. TOU is voluntary and is only available to customers that are receiving utility-provided default service. TOU relies on a smart meter to measure the customer's demand and energy usage during the various TOU periods.
Implementation strategy (including expected changes that may occur in different program years)	This rate offering requires the installation of a smart meter to collect the customer's hourly energy consumption.
Program issues and risks and risk management strategy	This rate offering is most effective when coupled with Smart Meters that provides customers with information about current and past energy consumption. The rate offering is at risk if the Company does not receive timely approval of the SMIP. Achieving estimated participation rates is a program risk. The rate offering will be reviewed monthly to determine if participation rates are not as high as anticipated. If participation rates are lagging, the Company will modify the marketing strategy.
Anticipated costs to participating customers	There are no customer costs to participate.

Ramp up strategy	The implementation timeline for this program will align with the smart metering infrastructure plan. See **Program start date with key schedule milestones** below for rollout.
Marketing strategy	Marketing activities will target eligible customers to inform them of the rate offering, its components, and the associated benefits primarily through bill inserts, direct mail, print and radio advertising, and in-bound call center contact.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	The incentive for this rate offering will be included within the rate.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Smart meter infrastructure will provide the method for collecting required interval data to support the EM&V of this rate. Performance verification will be based on PJM ELRP protocols for the aggregated hourly load reductions of the participants. The Company will provide a summary of hourly peak load reductions for the aggregated group, with back-up data supporting hourly performance for each customer for Performance Periods using metering data.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7c
Other information deemed appropriate	None

3.4. **Commercial/Industrial Large Sector (as defined by EDC Tariff) Programs - include formatted descriptions of each program organized under the same headings as listed above for residential programs.[8]**

Program Title and Program years during which program will be implemented	**C/I Equipment Program - Large** 2009-2013 footnote
Objective(s)	a) To reduce the first cost of high efficiency equipment thereby encouraging the adoption of high efficient equipment in lieu of standard equipment at the end of the useful life of measures, or as early replacement. b) To provide business customers with comprehensive information related to energy efficiency opportunities identified in buildings and system performance with an ultimate goal of influencing future customer behavior toward energy efficiency measures and practices.
Target market	All existing commercial, industrial, municipal and multifamily customers with buildings that are customers of the Company.
Program description	a) Prescriptive and performance based incentives will reduce the first cost of high efficiency equipment thereby encouraging the adoption of high efficient equipment in lieu of standard equipment at the end of the useful life of measures, or as early replacement. b) Provides support for the implementation of cost effective, high efficiency non-standard equipment through the authorized contractor network and traditional channels. Prescriptive and performance based incentives are intended to buy down the first cost of selected equipment or overall job scopes including but not limited to lighting, variable speed drives, custom measures, and other energy efficiency technologies.
Implementation strategy (including expected changes that may occur in different program years)	a) The program provides prescriptive or performance based incentives offsetting the first cost ("capital costs") of implementing high efficiency equipment. The Company will provide technical customer and trade ally support when needed. The Company through a competitive bidding process will contract with experienced Implementation Providers and/or Program Managers on a performance basis to insure creativity and motivation toward meeting the goal. The Company expects implementation will be traditional and will attempt to align with the PA Companies for consistency across the state. Additionally providing target marketing to specific customer sectors to insure awareness in the program and enhance participation.
Program issues and risks and risk	a) Availability of qualifying high efficiency equipment. The

[8] Additional measures may be incorporated, as appropriate, as new measures are approved for inclusion in the TRM.

management strategy	Company will negotiate with manufacturers to increase availability in the PA market for any items that are in demand but are in short supply. b) Business climate may require customer fees or contributions to be reduced or waived in order to encourage participation. Process evaluation will determine if this adjustment is necessary. With respect to risk management, refer to Section 4.1.4 of the EE&C plan. The Company provides further details on "early warning systems" as well as a description of contingency plans.
Anticipated costs to participating customers	Balance of costs of equipment, plus installation costs as relevant.
Ramp up strategy	Program will launch upon selection of an Implementation Provider. (See Section 1.4, Figure 2 for tentative schedule). The Company's will contract with experienced Implementation Providers and/or Program Managers on a performance basis to insure creativity and motivation toward obtaining participation and meeting the goal.
Marketing strategy	FirstEnergy Area Managers will be tapped to provide first line contacts to eligible customers within the target market segments. The Implementation Providers and/or Program Managers will be responsible for ultimate program marketing. The Company will contract with experienced Implementation Providers and/or Program Managers on a performance basis to insure creativity and motivation in marketing strategies toward obtaining participation and meeting the goal. The Implementation Providers and/or Program Manager(s) will provide specific details on marketing for this program.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	a) Incentives will be set at a schedule of payments per unit to address the incremental cost of commercially available energy efficient technology for each equipment category, when compared to the commonly available replacement. For rebate or incentive amounts see WPP Table 8: EE&C Program Rebate Schedule.
Program start date with key schedule milestones	See Figure 2.
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	For the pre-installation phase, for a sample of participants, verify that inefficient HVAC, lighting, food services equipment and plug loads and controls are installed and working on customers' premises. Determine current total energy consumption and demand using billing/meter information. Check sample calculations of projected savings and assumptions (e.g. EFLH) for accuracy and for compliance with TRM guidelines. For the post-installation phase, verify through verification

	inspections that new, more efficient, equipment has been installed. Document, store and send measure data to state using specified data transmission protocols, processes and technology. As part of the monitoring process, the Company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule and within budget, the Company will take appropriate corrective actions.
Administrative requirements – include internal and external staffing levels	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7d
Other information deemed appropriate	Custom measures will be rebated based upon an analysis of potential energy savings on a case by case basis.

Program Title and Program years during which program will be implemented	**Customer Load Response Program** **January 2011 to May 2013**
Objective(s)	The program is focused on reducing demand in the small and large, commercial and industrial, and governmental/non-profit customer sectors. Under this program, the Company will contract with customers to implement load curtailments during peak load periods. By controlling the demand for energy during the peak periods, load resources can become an integral part of managing the overall supply of energy to the system. A customer who participates in capacity and/or energy markets will also realize savings in the form of reduced capacity and energy costs.
Target market	The program will initially target small and large, commercial and industrial, and governmental/non-profit customers in the Company service territory, with demand of at least 300 kW or greater. This program will be expanded to other small commercial and industrial, and governmental/non-profit customers in conjunction with implementation of Smart Metering infrastructure
Program description	The Company will assist customers by providing load management services by actively educating and providing assistance with the transition to market prices, load shaping and participation in PJM markets. Contracting with customers for load reduction as well as assisting customers with entry into the real time energy markets will help control the demand during peak hours. A customer who participates in this program will receive incentives based on their actual hourly load reduction from their calculated baseline during events called by the Company for the top 100 hours of load. Customers will have flexibility in selecting how many hours that they can participate with 50 hours being typical.
Implementation strategy (including expected changes that may occur in different program years)	The Company will provide all technical assistance, project management and marketing activities to support the program. The Company will also be responsible for all marketing materials, contract preparation, load curtailment, and reconciliation services. The Company is registered as a curtailment service provider (CSP) under the PJM Load Management Programs. As part of this program, The Company (directly or through contracted services) will develop the necessary online user tools for customers: customer signup, download data for load profiling or historical energy usage, model load modification schemes and review load curtailment events.
Program issues and risks and risk management strategy	The recent PJM Base Residual Auction for 2012/2013 also introduces a hurdle in that the value of capacity in the Allegheny Power zone cleared at approximately 10% of the net cost of new entry. In the past, participating customers have realized tremendous value in PJM's Interruptible Load Response (ILR) programs without having to frequently reduce load. Customers making the transition to the Company's Demand Response (DR) program for delivery year 2012/2013 will be required to control load over numerous events, and up to 100 hours per year. Customer fatigue and dropout will be

	closely managed.
Anticipated costs to participating customers	The Company will provide interval metering data via our Energy Data Services ("EDS") at no cost to any customer whose load is participating in this program. Interval data through EDS can be provided monthly or daily in an excel spreadsheet format. For EDS daily data, the data file is made available the next day. Until the Company's smart metering infrastructure is deployed and functional at the customer's facility, we will target customers with a demand greater than 300 kW who have interval metering to participate in this demand response program. In cases where customer requests the installation of a KYZ pulse contact, the customer cost for the installation of this additional equipment is $650 ($500 for KYZ pulse installation, $150 for time synchronization).
Ramp up strategy	Customer Service Specialists will roll-out the program using direct contacts with eligible customers in 4th Quarter2010.
Marketing strategy	The customers will be targeted several ways: Assigned accounts: Customer Service Specialists proactively handle approximately 130 of the top energy users that would be eligible for the program. They will personally contact their assigned customers to educate them about this program and the companion Customer Resources Demand Response Program that will be administered by 3rd party PJM Curtailment Service Providers. We will follow up with a direct mail piece to encourage participation and provide more program details, inclusive of both this program and the companion Customer Resources Demand Response Program, and provide information on PJM Curtailment Service Providers who provide load curtailment services. Non-assigned accounts: These accounts are managed by Business Account Specialists in the Company's call center. Direct mail will be sent to these customers with program details and contact information. The direct mail information will include information on both this program and the Customer Resources Demand Response Program that will be administered by 3rd party PJM Curtailment Service Providers who provide load curtailment services. As a follow up to both audiences, an email will be sent to reinforce the program details, inclusive of both this program and the Customer Resources Demand Response Program. A link to the Company's web site will allow customers to access more program details and information. Sales/marketing/educational materials will be developed for the Customer Service Specialists to provide to customers, which will include details on all curtailment type programs including the Customer Load Response, Customer Resources Demand Response and the Distributed Generation programs. All marketing materials will equally promote all demand response programs and encourage customers to select a PJM CSP who can best address their needs. The materials will also include a listing of PJM CSPs who provide load

	curtailment services. The Company also plans to host an annual seminar and invite customers, PJM CSPs and stakeholders to participate. The seminar will focus on providing customers with information on the Customer Load Response, Customer Resources Demand Response and Distributed Generation Programs. The PJM CSPs will be invited to present information and setup vendor tables.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	The customer incentive for this program will be based on the customer's actual measured load reduction from the customer's calculated Customer Baseline during called event periods and a customer incentive rate that will be established based on the results of the load nominations by PJM CSPs for the Customer Resources Demand Response Program (refer to Customer Resources Demand Response Program). Allegheny will calculate the customer incentive rate on a $$ per MWh basis based on the weighted average of all contracted load nominations for the Customer Resources Demand Response Program, reduced by a Company administration adjustment to account for the differences in program administration between this program and the Customer Resources Demand Response Program.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Performance verification will be based on PJM ELRP protocols for the aggregated hourly load reductions of the participants listed in the agreement. The Company will provide a summary of hourly peak load reductions for the aggregated group and for individual customers, with back-up data supporting hourly performance for each customer for Performance Periods using metering data accepted by PJM. Load reductions will be measured against the standard CBL if appropriate or a CBL nominated by the EDC and accepted by PJM.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E

Cost-effectiveness – include TRC for each program	See PUC Table 7d
Other information deemed appropriate	Custom measures will be rebated based upon an analysis of potential energy savings on a case by case basis.

Program Title and Program years during which program will be implemented	**Distributed Generation Program** **September 2011 to May 2013**
Objective(s)	The program is focused on reducing demand in the small and large, commercial and industrial, and governmental/non-profit customer sectors, by deploying customer "nonutility" generation resources. The Company will contract with a "distributed generation (DG) Manager" to "harvest" existing installed standby generation capacity. This entity would develop a portfolio of standby generation resources to be dispatched for demand response activities and to provide standby generation service for unplanned utility outages or other customer maintenance activities.
Target market	The program will be initially targeted at existing small and large, commercial and industrial, and governmental/non-profit customers that have a facility demand and have generators rated larger than 300 kW.
Program description	Under the program, customers will contract with a DG Manager to provide the customer with operation and maintenance services on the customer's generator. The DG Manager will dispatch the generator up to 100 hours in response to curtailment event notices issued by the Company during the targeted hours of the Company's 100 hours of highest demand. A customer who participates in this program will be provided an incentive on a $$/MWh basis for each hour that their generator is dispatched to target Allegheny Power's hours of highest demand. In the Company's service territory, there is approximately 70 MW of existing standby generation larger than 300 kW. These sources are primarily in hospitals, banking, data center and high tech manufacturing facilities, and the generators range in size up to 2000 kW.
Implementation strategy (including expected changes that may occur in different program years)	The Company customer data for existing customer owned standby generators that could be "harvested" for this program. The program can be easily marketed to these existing installations and will be the focus of the initial marketing efforts. The DG Manager will be responsible for providing all services to operate, maintain, fuel and dispatch the generators that are enrolled in this program. The Company will assist with initial and follow-up sales calls, in coordination with the DG Manager and customer selected PJM CSP.
Program issues and risks and risk management strategy	Since this program is a mandatory curtailment program, there is a risk that the hours that the Company calls for curtailment will not be in the top 100 load hours. The Company anticipates a mixed response from various entities regarding the use of standby generation as a resource for demand response, specifically, emission permitting and suitability of customer's equipment.

Anticipated costs to participating customers	The third party DG Manager will contract directly with the customer to maintain and operate the customer's generator. The customer will pay the DG Manager for all operation and maintenance services provided by the DG Manager. The customer costs for these services will vary depending on the size and age of the generator. Prior to the installation of Smart Metering Infrastructure, the Company will provide interval metering data via our Energy Data Services (EDS) at no cost to any customer or PJM CSP customer whose generator is participating in this program. Interval data through EDS can be provided monthly or daily in an excel spreadsheet format. For EDS daily data, the data file is made available the next day. Until the Company's Smart Metering Infrastructure is deployed and functional at the customer's facility, Allegheny will target customers with a demand greater than 300 kW who have interval metering to participate in this demand response program. In cases where PJM CSPs request the installation of KYZ pulse contacts for use with the CSPs telemetry systems, the customer cost for the installation of this additional equipment is estimated to be $650 ($500 for KYZ pulse installation, $150 for time synchronization).
Ramp up strategy	The Company issued RFP's during the 4th quarter of 2010, and contracted with a DG Manager in January 2011. The DG Manager is presently performing marketing functions to contract with the customer to maintain and operate the program.
Marketing strategy	The program will be primarily marketed between the DG Manager and the Company's Customer Management group. Account Managers actively manage approximately 50% of the customers that the Company has identified who presently own standby generation that would be eligible for the program. The Company has identified approximately 80 customers with standby generators that could take advantage of this program. Since there is a select group of customers with standby generation, the Program Manager will market directly to these customers using direct mail or direct contact from Customer Service Specialists. . The Company will develop sales/marketing/educational materials and will assist the DG Manager and PJM CSPs with recruiting potential customers. The materials will provide details on all curtailment type programs including the Customer Load Response, Customer Resources Demand Response and the Distributed Generation Programs. All marketing materials will equally promote all demand response programs and will encourage customers to select a PJM CSP who can best address their needs. The materials will also include a listing of PJM CSPs who provide load curtailment services.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure,	The customer incentive for this program will be based on the customer's actual measured load reduction from the customer's calculated Customer Baseline during called event periods and a customer incentive rate that will be established based on the results of the load nominations by PJM CSPs for the Customer Resources

$ per kWh or MW saved)	Demand Response Program (refer to Customer Resources Demand Response Program). The Company will calculate the customer incentive rate on a $$ per MWh basis based on the weighted average of all contracted load nominations for the Customer Resources Demand Response Program. In order for the customer to realize the maximum benefits from participating in the Company's demand response programs, the customer's CSP must register the customer's load in the available PJM load response programs. The customer can choose any registered PJM CSP for this service.
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Performance verification will be based on PJM ELRP protocols for the aggregated hourly load reductions of the participants listed in the agreement. The Company will provide a summary of hourly peak load reductions for the aggregated group and for individual customers, with back-up data supporting hourly performance for each customer for Performance Periods using metering data consistent with PJM requirements. Load reductions will be measured against a CBL nominated for each customer.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E

Program Title and Program years during which program will be implemented	**Customer Resources Demand Response Program** January 2011 through May 2013 Commercial Industrial Demand Response Program • Customer Mandatory 100 Hour Curtailment Option • Customer Mandatory 50 Hour Curtailment Option • *Customer Voluntary Curtailment Option*
Objective(s)	The program is focused on reducing demand in the small and large, commercial and industrial, and governmental/non-profit customer sectors, by deploying customer load resources from load curtailment strategies provided by PJM Curtailment Service Providers or Customer Curtailment Service Providers (CSPs). The Company will contract with one or more PJM CSPs who will develop a portfolio of callable load response resources that will be dispatched for demand response activities during the Company's 100 hours of highest demand. RFPs will be developed for the following Options under the program: • Mandatory 100 Hour Curtailment Option • Mandatory 50 Hour Curtailment Option • Voluntary Curtailment Option The PJM CSPs will be obligated to perform according to one of the curtailment options, as available. Customer participation in the program, including load and hour commitments, will be according to the contract between the PJM CSP and the customer. Contracted load resources provide a multitude of utility and customer benefits, including: reduces peak demand, and improved grid reliability.
Target market	Contracts for load resources will be initially targeted at existing small and large, commercial and industrial, and governmental/non-profit customers with a demand of at least 300 kW or greater. The program will be expanded to customers less than 300 kW in conjunction with the deployment of smart metering infrastructure that will provide the required metering and communications network for these customers to participate. PJM CSPs may also enroll customers with a demand less than 300 kW where a measurement and verification protocol is approved by the Company in advance of program enrollment.
Program Description	Under the program, PJM CSPs will provide services to register and dispatch customer curtailable load during targeted hours of the Company's 100 hours of highest demand. The Company will contract with PJM CSPs to deliver an amount of curtailable load. The PJM CSPs will structure individual contracts with customers to respond to curtailment event notices issued by the Company to the customer's CSP. Customer participation in the program, including load and hour commitments, will be according to the contract

	between the PJM CSP and the customer. The Company will pay the PJM CSPs based on the actual load reduction that occurred during the curtailment events, based on the contracted rate established through the nomination process. A customer who participates in this program will be compensated by their CSP according to the CSPs contract with the customer for each hour the customer's load is dispatched under this program. All payments to the customer will be from the customer's CSP. In order for the customer to realize the maximum benefits from participating in the Company's demand response programs, the customer's CSP must also register the customer's load in the available PJM load response programs.
Implementation Strategy	The Company believes that it will be difficult to obtain customer interest in a callable demand response program that requires customers to participate for up to 100 hours. To mitigate customer impact and fatigue, CSPs will be responsible to manage their customer portfolios to deliver the contracted load resources to provide the contracted MWh reduction during the Company's 100 hours of highest demand. In addition, the Company will solicit proposals from CSP vendors for mandatory and voluntary options, so as to provide as much flexibility for CSPs as possible.
Program issues and risks and risk management strategy	The program contains both mandatory and voluntary options for CSPs to bid resources, which provides flexibility for PJM CSPs to offer curtailment services to end use customers. Since a portion of this program is a mandatory curtailment, there is a risk that the hours that the Company calls for curtailment will not be in the top 100 load hours. The PJM Base Residual Auction for 2012/2013 introduces a hurdle in that the value of the capacity in Allegheny Power's zone cleared at approximately 10% of the new cost of new entry. In the past, participating customers have realized substantial value in PJM's Interruptible Load Response (ILR) programs without having to frequently reduce load. Customers making the transition to the Company's demand response programs will be required to control load over numerous events, and up to 100 hours per year. Customer fatigue and dropout will be closely managed.
Anticipated costs to participating customers	Prior to the installation of Smart Metering Infrastructure, the Company will utilize existing interval metering via our Energy Data Services ("EDS") at no cost to any customer whose load is participating in this program. Interval data through EDS can be provided monthly or daily in an excel spreadsheet format. For EDS daily data, the data file is made available the next day. In cases where PJM Curtailment Service Provider's request the installation of a KYZ pulse contact for use with the Curtailment Service Provider's telemetry system, the customer cost for the installation of this additional equipment is $650 ($500 for KYZ pulse installation, $150 for time synchronization).

Marketing strategy	For load resources that will be contracted from Curtailment Service Providers, we anticipate some marketing efforts from the Curtailment Service Provider's because they have contracts with customers who are currently participating in the PJM load response programs. The Company will also provide a list of eligible customers to the contracted PJM CSPs for their use in direct marketing to attract additional or new customers. The customer list will provide sufficient data for CSPs to initiate customer contact and marketing activities. Account Managers and Business Account Specialists will provide customers with information on the Customer Resources Demand Response Program. To attract new load resources into the Customer Resources Demand Response Program, the Company will develop sales/marketing/educational materials and will assist the PJM CSPs with recruiting potential customers. The materials will provide details on all curtailment type programs including the Customer Load Response, Customer Resources Demand Response and the Distributed Generation Programs. All marketing materials will equally promote all demand response programs and will encourage customers to select a PJM CSP who can best address their needs. The materials will also include a listing of PJM CSPs who provide load curtailment services.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	All incentives paid by the Company under this program will be paid directly to the PJM CSPs, as part of their overall contract to deliver the curtailment MWhs. The Company's payment to the PJM CSPs for load curtailment will be based on the actual measured load reduction from the customer baseline for each hour of the load curtailment event. The contract between the Company and the vendor CSPs will be established per the following curtailment options: **Mandatory Curtailment Option** A vendor under contract will for this option will be contracted to deliver a firm number of MWhs per dispatch requirements of the Company for either the top 100 or 50 hours. **Voluntary Curtailment Option** A vendor under contract for this option, will be also be contract to deliver a firm number of MWhs in accordance with the provisions outlined below: a. The CSP will be required to predict the top 100 hours of load for the company in the Company's WPP zone. b. The CSP will be required to aggregate and reduce load during the top 100 highest load hours. If the CSP drops load and it is not in the 100 highest load hours, then no payment will be made by the

	Company c. After September of 2012 (i.e. at the end of the curtailment season, the Company will evaluate Act 129 program records and PJM demand response records to calculate and define the dates and hours of the ACTUAL top 100 load hours for the four month period for its Company zone. The Company will then examine the program event records and pay CSPs $150.00 per MW hour (15 cents per kWh) for any load reductions that occurred during those 100 highest load hours – this payment will be made in addition to any and all payments made by PJM. d. Performance verification will be based on PJM ELRP protocols for the aggregated hourly load reductions of the participants listed in the agreement
Program start date with key schedule milestones	See Figure 2
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	Performance verification will be based on PJM ELRP protocols for the aggregated hourly load reductions of the participants listed in the agreement. The Company will review hourly peak load reduction calculations for individual customers, and back-up data supporting hourly performance for each customer for Performance Periods. Load reductions will be measured against the CBL nominated and accepted for each customer.
Other information deemed appropriate	None.
***Estimated Participation* – includes tables indicating metric(s) with target value(s) per year**	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with *total MWh and MW goals* per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E

3.5. Governmental//Non-Profit Sector (as defined by 66 Pa. C.S. § 2806.1) Programs - include formatted descriptions of each program organized under the same headings as listed above for residential programs. As well, provide and detail all plans for achieving compliance with 66 Pa. C.S. § 2806.1.[9]

Program Title and Program years during which program will be implemented	**Governmental and Institutional Programs** 2009– Q2 2013
Objective(s)	a) To reduce the first cost of high efficiency equipment thereby encouraging the adoption of high efficient equipment in lieu of standard equipment at the end of the useful life of measures, or as early replacement. b) To provide Federal, State, Local, Institutional and Non-Profit customers with comprehensive information related to energy efficiency opportunities identified in buildings and system performance with an ultimate goal of influencing future customer behavior toward energy efficiency measures and practices.
Target market	All existing Federal, State, Local, Institutional and Non-Profit customers with buildings in the Company's service territory. Note that federal government customers may be eligible for payment of the retrofits by the Federal Energy Management Program (FEMP) upon review and approval by the federal program manager.
Program description	a. In General prescriptive and performance based incentives will reduce the first cost of high efficiency equipment thereby encouraging the adoption of high efficient equipment in lieu of standard equipment at the end of the useful life of measures, or as early replacement. Provides support for the implementation of cost effective, high efficiency non-standard equipment through the authorized contractor network and traditional channels. Prescriptive and performance based incentives are intended to buy down the first cost of selected equipment or overall job scopes including but not limited to lighting, variable speed drives, custom measures, and other energy efficiency technologies. The program provides for the implementation of cost effective, high efficiency standard and non-standard measures through a CSP for local, state and federal buildings, as well as for institutional customers. For federal facilities that qualify, costs for the implementation are covered under the Federal Energy Management Program; for others, rebates are intended to buy down selected equipment or overall job scopes. b. The Street lighting Measure is offered to municipalities regardless

[9] Additional measures may be incorporated, as appropriate, as new measures are approved for inclusion in the TRM.

	of ownership of the street lights. This segment of the program will seek to convert street lights to high pressure sodium. The company will also pursue an LED street light demonstration project as part of this component to test this emerging technology. c. The Traffic Signal Measure is another program targeted at local governments. This component of the program will seek to convert vehicular signals and pedestrian/cycling signals to LED technology. d. The Lighting measures this component of the program will seek to convert inefficient lighting technology with energy efficient lighting technologies. The Implementation Provider and/or Program Manager will provide diagnostic assistance, technical support and rebates necessary for Federal, State, Local, Institutional and Non-Profit to install high-efficiency measures.
Implementation strategy (including expected changes that may occur in different program years)	The Company through a competitive bidding process will contract with experienced Implementation Providers and/or Program Managers on a performance basis to insure creativity and motivation toward meeting the goal. The Company expects implementation will be traditional and will attempt to align with the other PA EDCs for consistency across the state. Additionally providing target marketing to specific customer sectors to insure awareness in the program and enhance participation. These measures will interface with each other so that program participants can obtain full energy audits as needed. They will also potentially leverage support from state-level initiatives.
Program issues and risks and risk management strategy	Inability of organizations to identify balance of funding for projects, in spite of incentives; competing priorities for capital improvements. Risk management includes assistance in helping identify federal Energy Efficiency Block Grant or American Public Power Association (as appropriate) funding or other sources for balance of costs. Also, with respect to risk management, refer to Section 4.1.4 of the EE&C plan. The Company provides further details on "early warning systems" as well as a description of contingency plans.
Anticipated costs to participating customers	Balance of costs of equipment, plus installation costs as relevant.
Ramp up strategy	Program will launch upon selection of an Implementation Provider.(See Section 1.4, Figure 2 for tentative schedule). The Company's will contract with experienced Implementation Providers and/or Program Managers on a performance basis to insure creativity and motivation toward obtaining participation and meeting the goal.
Marketing strategy	FirstEnergy Area Managers will be tapped to provide first line contacts to eligible customers within the target market segments. The Implementation Providers and/or Program Managers will be responsible for ultimate program marketing. The Company will contract with experienced Implementation Providers and/or Program

	Managers on a performance basis to insure creativity and motivation in marketing strategies toward obtaining participation and meeting the goal. The Implementation Providers and/or Program Manager(s) will provide specific details on marketing for this program.
Eligible measures and incentive strategy, include tables for each year of program, as appropriate showing financial incentives & rebate levels (e.g., $ per measure, $ per kWh or MW saved)	All other Governmental rebates are the same as the C/I equipment program. The rebates are listed in WPP Table 8 under the C/I Equipment program. a. Federal, State, Local, Institutional and Non-Profit Building audits. b. Street lighting c. Traffic Signal d. Lighting e. Audits
Program start date with key schedule milestones	See Figure 2.
Assumed Evaluation, Measurement, and Verification (EM&V) requirements required to document savings by the Commission's statewide EE&C Plan Evaluator	For the pre-installation phase, for a sample of participants, verify that inefficient HVAC, lighting, food services equipment and plug loads and controls are installed and working on customers' premises. Determine current total energy consumption and demand using billing/meter information. Check sample calculations of projected savings and assumptions (e.g. EFLH) for accuracy and for compliance with TRM guidelines. For the post-installation phase, verify through verification inspections that new, more efficient, equipment has been installed. Document, store and send measure data to state using specified data transmission protocols, processes and technology. As part of the monitoring process, the company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule and within budget, the Company will take appropriate corrective actions. As part of the monitoring process, the company plans to use selected indicators to verify periodically that energy savings and demand reduction are being realized as projected. A DSM tracking system is to be used for such monitoring. In the event that EE&C program indicators show that projected EE&C targets are not likely to be achieved on schedule or within budget, FirstEnergy will take appropriate corrective actions.
Administrative requirements – include internal and external	The Company will use a combination of internal and external resources to manage and implement the EE&C programs. The

staffing levels	Company will monitor and adjust the allocation of resources to balance the needs of each program. See sections 4.2.1 and 4.2.2 of the EE&C plan for more details.
Estimated participation – includes tables indicating metric(s) with target value(s) per year	See Appendix F
Estimated program budget (total) by year – include table with budget per year	See Appendix D
Savings targets – include tables with total MWh and MW goals per year and cumulative tables that document key assumptions of savings per measure or project	See Appendix E
Cost-effectiveness – include TRC for each program	See PUC Table 7e
Other information deemed appropriate	None

4. Program Management and Implementation Strategies

4.1. Overview of EDC Management and Implementation Strategies:

4.1.1. Describe the types of services to be provided by EDC as well as consultants, trade allies, and CSPs. Indicate which organizations will provide which services and the basis for such allocation. Reference reporting and EM&V information from Sections 5 and 6 below.

Generally the Company will assume overall administration and oversight of the Plan with the following types of contractors performing the specific tasks associated with applicable programs.

Residential

A. Online audit vendor, energy audit services firm, local energy auditors

B. Environmentally responsible appliance recycler

C. Local contractors with appropriate training and certification

D. Statewide national vendor coordinated w/other Pennsylvania utilities

E. BPI certified contractors

Commercial

A. Qualified contractors who agree to participation terms, trade allies who have attended training

B. Qualified vendors from list of eligible FEMP contractors that are also registered in Pennsylvania as a

C. Qualified ESCO contractors that agree to participation terms and meet specific rules

D. Regional motor distributors who would be incentivized to move the products

E. CSPs who will serve as load aggregators and participate in the PJM demand response programs

4.1.2. Describe how the risk categories of performance, technology, market and evaluation can affect the programs and any risk management strategies that will be employed to mitigate those risks.

1. Performance risk is the risk that, due to design or implementation flaws, the program does not deliver expected savings.

   The Company took a variety of steps to keep participation simple for both customers and trade allies. This is a crucial design principle for ensuring success. Eligibility guidelines, application forms, technical assistance guidelines and other program collateral materials will be: 1) easy to access via a website; 2) clear and concise; 3) require the minimum amount of information to confirm equipment and customer eligibility; and, 4) designed to enable tracking for measurement and verification purposes.

   The Company has taken steps to identify and manage risks as well as to prepare for contingencies that may be necessary in its implementation activities over the Plan's implementation period. Those steps are as follows:

   1. The Company will continue seeking input from the stakeholder process that the Company initiated during the plan development phase of this process. While the ultimate decision making and responsibility for meeting the targets will be the Company's, this process is expected to continue to yield benefits for the Company and its customers.
   2. The Company intends to perform continual EM&V on all program offerings in order to ensure that all programs are on target in terms of dollars spent, participation rates achieved and kWh and kW savings realized.

      Given the significant investment required to meet Act 129 kWh and kW savings targets, the Company believes that it is both prudent and necessary to have a robust evaluation process in place from the date of each program's inception as well as the financial capability to make those changes that are either indicated by the program process evaluations and/or general economic conditions as they change over time. This ambitious EE&C undertaking is occurring at a time when economic conditions are in turmoil and it remains to be seen how customers will react to programmatic offerings with the rebate levels prescribed—rebate levels that have been based upon successful programs in more favorable economic conditions.

      The Company believes that its Plan contains the right mixture of incentives and measure offerings to meet the prescribed targets. Further, the Company's risk management strategies, as designed, will now provide the flexibility necessary to maximize the potential for success.

2. Technology risk is the risk that technologies targeted by a program fail to deliver the savings expected.

   The Company plans to begin with tested technologies with well-established energy savings performance and supplement them for market segments as appropriate. Simple programs will be launched first, and the design and delivery channels will evolve over time. Furthermore, comprehensive programs have been developed that will both have an immediate impact on energy use and in the long run will help transform the market into one where customers seek energy efficient options on a regular basis no matter the incentives. In addition, design flexibility

will be retained to enable the adjustment of specific designs as dictated by customer response and evaluation results, as well as to rebalance the portfolio based on individual program performance and emerging opportunities.

3. Market risk is the risk that customers, or other key market players (e.g., contractors), choose not to participate in a program.

   The Company will carefully evaluate various approaches to building awareness through communications in order to minimize market risk. It plans to raise customers' awareness of the benefits of energy efficiency and conservation, as well as the existence of its programs offered through this Plan through a company-wide educational campaign, community level outreach and program-specific marketing, The Company expects the Commonwealth (i.e., regulators, state agencies, etc.) to similarly conduct statewide educational and outreach initiatives. For example, the Company can leverage the credibility of trade allies as channels to educate and influence audiences.

   Market risk will be assessed through program tracking and periodic surveys to gauge awareness of the programs and for those not participating, barriers to participation. Market risk will also be assessed through process evaluations that will take place annually after each program is launched. This will enable the Company to identify issues related to market risk and implement mid-course corrections to enable the programs to stay on track.

   The Company will not shift program funds within a customer class, or between customer classes, without prior Commission approval. Furthermore, if the Company identifies the need to increase the cost of this Current Plan, it will obtain Commission approval before increasing the budget for the same. The Company may also use the Expedited Review process outlined in the Commission's June 10, 2011 Order in Docket No. M-2008-2069887

4. Evaluation risk is the risk that independent EM&V will, based on different assumptions, conclude that savings fall short of what the implementers have estimated.

4.1.3. Describe how EDC plans to address human resource and contractor resource constraints to ensure that adequate personnel and contractors are available to implement the EE&C plan successfully.

The Company intends to use both in-house personnel and contractors to help implement the EE&C plan successfully. The Company will also leverage the PA Companies' centralized organization staffed with qualified and experienced personnel. Additionally, this organization has access to personnel from various departments including legal, finance, engineering, customer service and regulatory affairs on an as needed basis.

To confirm the availability of contractors to help with the implementation of the EE&C plan, the Company has surveyed several companies qualified to implement the EE&C plan. The results of the survey were used in program design and to ensure that there will be a sufficient number of adequately qualified contractors to implement the measures being selected or developed to reach the kWh and kW savings goals. These surveys also provided information on the cost of some EE&C measures, their implementation timeframe and likelihood of success in reducing energy consumption and demand.

4.1.4. Describe "early warning systems" that will be utilized to indicate progress towards the goals and whether they are likely to be met. Describe EDC's approach and process for shifting goals and funds, as needed, between programs and adding new measures/programs.

The Company's strategy for early warning system is to incorporate a three-pronged approach into the implementation of the programs: (1) tracking system, (2) energy audits, and (3) reporting. Program application forms will incorporate data requirements for tracking various customer characteristics and other data necessary for surveying participation levels and applicant specifics, as well as tracking the extent to which different types of customers are or are not participating. This information will be stored in the tracking system and summarized on a regular basis. By encouraging both residential and non-residential customers to undergo an energy audit, the Company will capture useful data on as-found characteristics of facilities and buildings that will help verify or confirm assumptions on energy savings potential and identify those remaining opportunities. Finally, by preparing summary reports of progress on a regular basis, the Company will have access to and make best use of status information. These reports will be closely monitored by Company management.

Common barriers/possible challenges to investments in energy efficiency include:

- Customer general attitudes toward EE&C and demand response in light of the necessary paradigm shift;
- First cost of energy efficiency investments;
- The length of investment payback periods, which generally must be relatively short;
- The limited supply of dedicated individuals with the expertise to identify energy efficiency opportunities and drive them through to implementation; and
- Today's business environment has many companies operating in a survival mode compared to investing in future energy savings

These, as well as other issues, will be tracked through process evaluation and regular program monitoring to determine if they are having a measurable effect on the achievement of targets.

Contingency Plan

The Company has developed a contingency plan in the unlikely event that any of the following four issues arise:

What if the savings don't materialize? The Company anticipates a ramp up of programs starting in November 2011. Monthly program kW/kWh TRM-based impacts and costs incurred will be tracked from the conception of each program. To the extent that program/measure market penetration lags behind the expected kW/kWh-cost forecasts, so should the rate at which budgeted costs are incurred. If it is found that one or more programs are not meeting expectations, the Company will take one or all of the following actions:

1. Shift the focus of underperforming programs to measures that have a higher adoption rate. The Company plans utilize over 100 measures that are rolled up into programs. This large number of measures incorporated in the programs allows flexibility to shift emphasis to incorporate successful measures as needed to stay on track toward achieving energy savings goals.
2. Alter the program delivery processes utilized in order to enhance market penetration. Options here may include having vendors add field staff to handle more inquiries or shorten response

times, eliminating or adjusting project requirements if bottlenecks appear to be stalling progress, or other adjustments as dictated by process evaluations. However, any changes made will take care not to compromise data tracking for evaluation purposes.

3. Investigate, through further surveys, the issues that customers have with problem programs and modify delivery based upon the results of these surveys
4. Shift program delivery to more aggressively promoted and perhaps rebated versions
5. In extreme cases, abandon non-performing programs and replace them with other programs that are enjoying a greater success.
6. Shift resources to higher performing programs that may have been under funded, because the study assumes a low participation from industrial customers due to current economic conditions, the Plan may have to be rebalanced if there is a higher than expected response from the industrial class.
7. Add delivery channels. The on-line audit program could be enhanced to open more channels to deliver conservation kits.
8. Shift resources between sectors as needed to address demand.

The Company expects to have the ability to shift resources between programs and/or between customer sectors within the portfolio as needed to meet the goals.

What mid-course corrections could be implemented? The Company believes that CFL programs and efficient electric water heating programs are but two of the programs that could be ramped up through enhanced marketing efforts to achieve kWh and kW impacts greater than anticipated under the proposed EE&C Plans This may require a re-balancing of program goals and budgets. Notwithstanding, the EE&C program tracking system will provide near real-time intelligence for making such mid-course decisions and adjustments with enough time for such corrections to be effective.

What would be communicated to regulators? The Company will provide periodic updates to the Commission as required concerning the successes of its programs, issues encountered and updated trajectories of impacts achieved vs. costs incurred. With this level of communication, FirstEnergy's Pennsylvania's EE&C team hopes to provide the Commission, stakeholders, all of the FirstEnergy Companies, and other Pennsylvania EDCs with up to date intelligence, including identified issues and proposed solutions. It also hopes to learn from the experiences of other EDCs through intelligence sharing.

How will the appropriate mid-course corrections be identified? The Company anticipates using a process evaluation for a 6-to-12 month check following each program launch to determine progress and identify any necessary corrective actions. At the 6 to 12 month mark for each program, a program-by-program process evaluation will be performed using a combination of participant satisfaction and key customer perception surveys -- all preformed using statistically significant samples along with a kWh/kW impact/cost analyses in which each program's targets are compared with Plan expectations.

The Company will not shift program funds within a customer class, or between customer classes, without prior Commission approval. Furthermore, if the Company identifies the need to increase the cost of this Current Plan, it will obtain Commission approval before increasing the budget for the same. The Company will also utilize the Expedited Review process in the Commission's June 10, 2011 Order in Docket No. M-2008-2069887.

4.2. Executive Management Structure:

4.2.1. Describe EDC structure for addressing portfolio strategy, planning, review of program metrics, internal and external communications, budgeting and financial management, program implementation, procurement, program tracking and reporting, and Quality Assurance/Quality Control (QA/QC). Include EDC organization chart for management team responsible for implementing EE&C plan.

The Company believes that during the initial stages of EE&C program implementation, it is particularly important that senior management be visible in its oversight role and actively support the changes and adjustments needed in organization structure, interdepartmental cooperation, staffing, and ensuring corporate-wide support of the new initiatives. As a result, the FirstEnergy Pennsylvania EDCs have created a steering committee that is comprised of senior management members from across the organization, including the President – FE Utilities, and Vice-Presidents representing Energy Efficiency & Customer Service, Energy Delivery, Legal, Rates and Regulatory Affairs, Information Technology, Business Development, Performance & Management, Communications, and Energy Policy. The steering committee's primary purpose is to:

- Define strategies and provide governance over initiatives relating to energy efficiency (EE)/demand response (DR), and smart grid;
- Assure initiatives support corporate objectives integrating customer solutions with operational efficiencies; and
- Assure optimum deployment of EE/DR and smart grid resources for managing load growth in the FirstEnergy service territory.

To provide cross-functional support and coordination, the FirstEnergy Pennsylvania EDCs have also formed an Energy Efficiency Committee, comprised of mid-management level representatives from similar organizational elements. This group's primary responsibilities include:

- Providing direction, coordination and cross-functional support, and
- Assuring program milestones and requirements are on target.

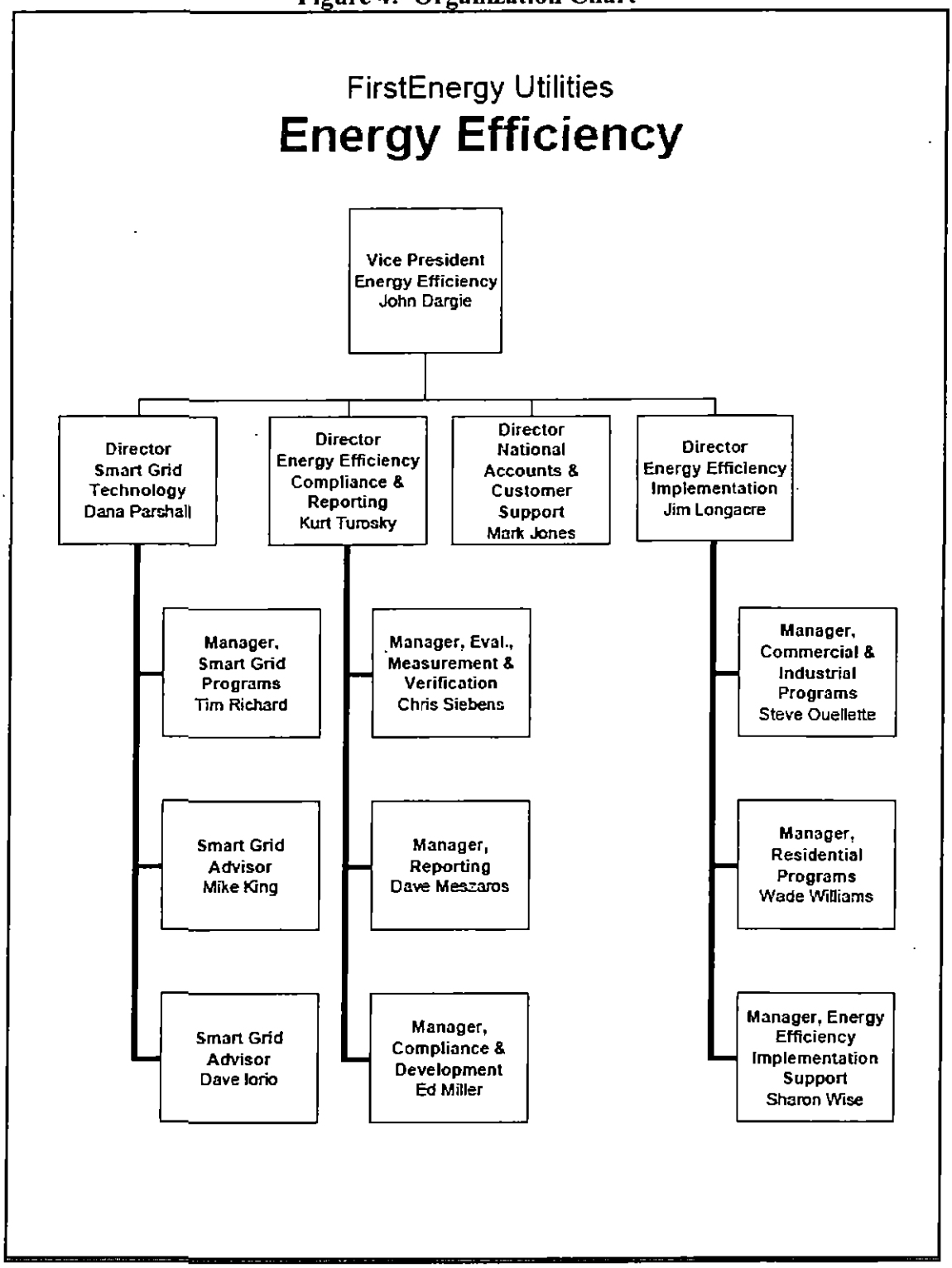
Recognizing that FirstEnergy's ten utility companies, spanning Pennsylvania, New Jersey, Ohio, New York, West Virginia and Maryland are all undertaking Energy Efficiency and Peak Demand Reduction initiatives to comply with state mandates passed in 2008, these committees will also help to promote consistency, where appropriate, and leverage best practices across the FirstEnergy system. Both committees also provide direction on Smart Meter and Renewable activities. Due to the developing nature of all of these initiatives, the committees meet monthly with subcommittees meeting on an *ad hoc* basis as specific issues arise.

The organization entrusted with implementation of the EE&C Plan is the Energy Efficiency Department which reports to the President, FE Utilities, and has a working relationship with the President of Pennsylvania operations. This group also has responsibility for similar activities for FirstEnergy's Ohio, Maryland, West Virginia and New Jersey utilities.

The organization chart below depicts the EE&C management team and tits primary areas of responsibility. The Energy Efficiency Department is organized based on program management responsibilities across customer classes. Key activities include planning and executing marketing campaigns, acquiring and managing implementation contractors, and ensuring quality control and assurance over programs. The Energy Efficiency Department is organized based on support functions that are common to all programs such as measurement and verification, tracking and reporting,

communication and education, budgeting and financial management, and other administrative support.

Figure 4: Organization Chart



The above group also receives dedicated support from such areas as Rates and Regulatory Affairs, Legal, Human Services, Communications, and Business Analytics.

As part of the implementation plan, the Company will outsource program management to the extent practical, using CSPs for program implementation and management. This allows resources to be more effectively used by providing the CSPs with the flexibility necessary to shift resources from one client to another to handle shifting work loads. The Company's EE&C organization, including program managers, marketing, technical and analytical personnel, will provide guidance and oversight to help ensure quality and cost effective management of the vendors. FirstEnergy's EE&C organization's experience across its ten utility operating companies in Pennsylvania, Ohio, Maryland, New York, West Virginia and New Jersey, coupled with the CSPs' industry expertise, will enable the Company to leverage best practices, thus providing a greater likelihood of program success and minimizing missteps as typically found with new program development. The Company also intends to establish work processes which focus on efficient program delivery such as business process mapping and regular reviews to seek program delivery efficiency improvements. Finally, the Company plans to regularly report program savings, expenses, participation levels, and milestones, as necessary, to the Commission and FirstEnergy management.

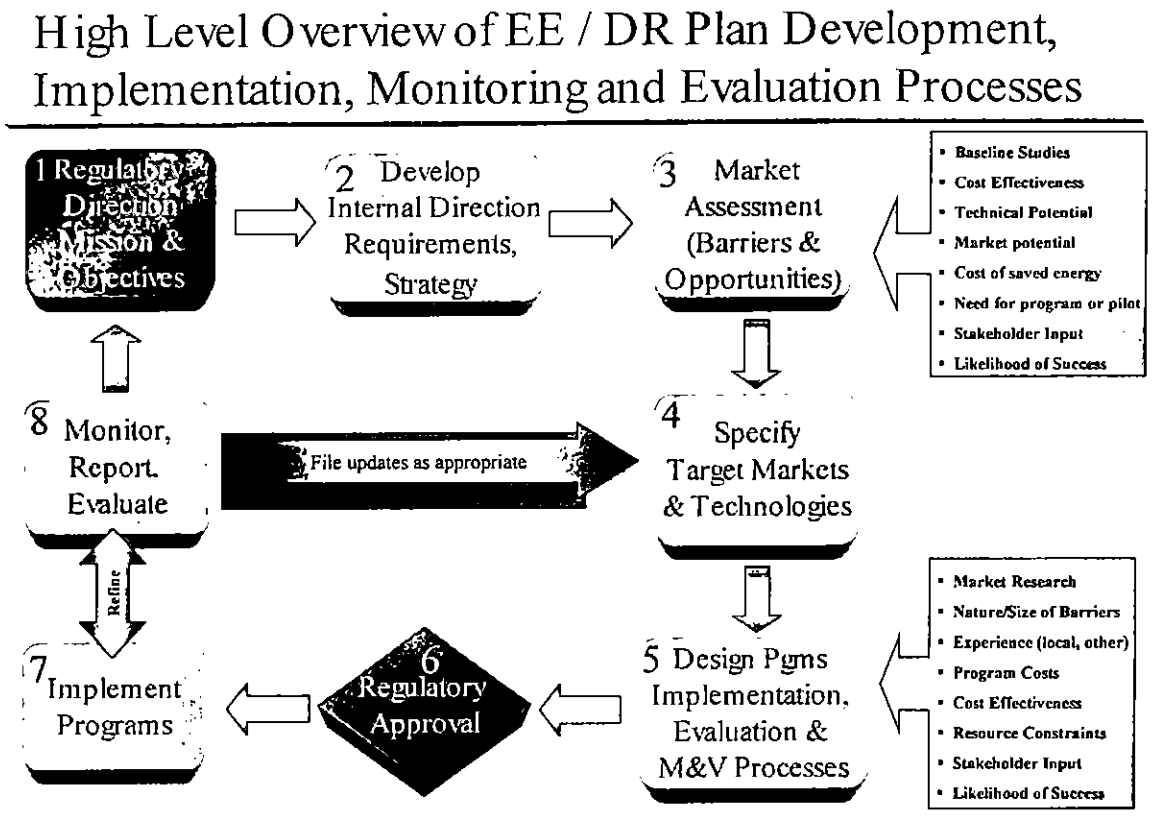
4.2.2. Describe approach to overseeing the performance of sub-contractors and implementers of programs and how they can be managed to achieve results, within budget, and ensure customer satisfaction.

The Company will provide high-level administrative, contract management, program design and marketing oversight of the selected CSPs primarily through the Energy Efficient Department staff who will be dedicated for this purpose. Not only will such monitoring be accomplished through the use of the tracking and reporting system described in Section 5, but this dedicated staff will also provide:

- High-level guidance and direction to the implementation contractors, including review and revision of proposed annual implementation plans and proposed milestones, and, additionally, engage with the contractor team on a daily basis when working through strategy and policy issues.
- Review and approval of implementation contractor invoices and ensure program activities are within investment and on schedule.
- Review of implementation contractor operational databases for accuracy, ensuring incorporation of data into the companies' comprehensive portfolio tracking database to be used for overall tracking and regulatory reporting.
- Review of measure saving estimates maintained by the implementation contractor.
- Oversight and coordination of evaluation, measurement, and verification contractors.
- Public education and outreach to community groups, trade allies and trade associations.
- Provide guidance and direction on new initiatives or strategies proposed by the implementation contractors.
- Communicate to implementation contractors other initiatives that may provide opportunities for cross-program promotion.
- Review and approve printed materials and advertising plans.
- Evaluate portfolio and program effectiveness and recommend modifications to programs and approach as needed.
- Perform periodic review of program metrics, conduct investment analysis, and review evolving program design.

In addition to the comprehensive oversight activities described above, the Company will follow the overall planning, implementation, monitoring and evaluation framework identified below to help guide our programs and contractors.

Figure 5: High Level Overview of M&V



The Company believes that this framework will help ensure the success of its efforts to achieve the targets established by Act 129 in an efficient and cost-effective manner. Of significance, is the need to remain agile and flexible to make adjustments to program details, improve staff knowledge and effectiveness, and change course when conditions and opportunities warrant.

4.2.3. Describe basis for administrative budget.

The utility administrative budget consists of both indirect and direct program costs. Indirect program costs are the portion of administrative start-up costs currently incurred in connection with the development of the Company's EE&C Programs in accordance with Act 129 and the Commission's Orders and guidance at Docket No. M-2008-2069887, and are included in the cost recovery mechanism. These costs to design, create, and obtain Commission approval for the Company's programs include: consultant costs, legal fees, and other direct and indirect costs associated with the development and implementation of the EE&C plan and programs in compliance with Commission directives.

The annual direct program budgets by year are presented by measure and by program in Appendix D 1-6. The budgeting process for the utility costs, customer incentive costs, retail incentive costs and service provider costs were done using a bottom-up approach utilizing cost information from various sources, which include: the California Database for Energy Efficient Resources (DEER), DSMore Michigan Database, Energy Star Website and RFI survey data. Further, the incentives were estimated based on penetration estimates, estimates of payback timing, and the adherence to state-wide program

information when available. For program reporting, costs that cannot directly be charged to programs will be allocated across programs using the budgets presented in Appendix D-6.

The yearly budgets presented in Appendix D are broken down into the individual measures. The total budget costs are derived from per unit estimates at this measure level. These per unit costs are presented in Appendix D-5 by measure and in Appendix D-6 by program. The individual per unit costs take into account the delivery system of each measure, whether it is a mail-in rebate, in-store rebate or through a service provider. The annual total direct utility budget is calculated by simply multiplying the per unit costs in Appendix D-5 by the assumed participation levels shown in Appendix F (Participation Levels) and then totaling all the measures.

The measures in Appendix D are labeled with the Program Name with which they are associated. The program budgets are calculated by totaling the individual measures by the Program Name.

The measures in Appendix D are also labeled with the Rate Class name for which they are associated. The rate class budgets are calculated by totaling the individual measures by the Rate Class name.

The total utility administrative budget consists of both the direct measure costs shown in Appendix D and the indirect measure costs shown in PUC Table 6B presented later in this report.

4.3. Conservation Service Providers (CSPs):

4.3.1. List any selected CSPs, describe their qualifications and basis for selection (include contracts in Appendix).

See Appendix C for a listing of the Company's current CSPs.

4.3.2. Describe the work and measures being performed by CSPs

Program Implementation Management Contractor - the Company will contract with one or more Program Manager CSPs to implement the portfolio of programs. The Program Manager(s) will be responsible for the start-up and ongoing management of new programs including staffing, development of website(s), promotional strategies, and processes ensuring quality and other controls supporting successful program implementation. The start-up phase should include communication and coordination with Company start-up processes, to present straightforward processes for customers or allies that wish to participate in the programs, maximize process efficiency and controls, as well as leverage Company relationships and communications with customers. The start-up period must be completed within ninety (90) days of the awarding of the contract.

The start-up phase will be performed in an organized and efficient manner. The contractor will be contractually obligated to strive to maintain and strengthen constructive relationships with the Company program management staff, customers, trade allies, contractors and other energy program partners.

During program set-up and for the duration of the program, the Program Manager(s) will meet with the Company, its consultant, tracking system contractors and the State Evaluator as necessary and appropriate.

Program Manager(s) will submit a start-up plan with their bid proposal. It is anticipated that the start up plan submitted could be modified at the initial implementation meeting. The plan will include, at a minimum:

a. Organization chart and description of management roles and responsibilities;

b. Description of and dates of program launch milestones;

c. Description of a plan for use of any subcontractors;

d. Plan to detail specific communications strategy; and

e. Plan to facilitate or support program tracking systems and reporting.

The Program Managers will support consumer education initiatives as a vital objective for the EE&C plan. CSPs will provide consumer education and marketing that informs customers about available programs and how participation in such programs may allow them to better manage their energy costs.

The Company will host or contract for website services, linked through the Company's public internet domain, www.firstenergycorp.com. Although FirstEnergy personnel will manage the overall content on the website, the CSPs will be responsible for generally managing their section of the site and updating it as necessary. Customers will be able to obtain information, contact the CSP, download program literature and application forms, or complete on-line forms and applications through the website.

Work to be performed by the Program Managers includes:

- Program Set Up – Immediately following contract award and the kick-off meeting(s) as set forth below, the Company and Program Manager(s) will work together to modify the Start-up Plan submitted with the successful bidders' bid proposals to develop the systems and procedures needed to operate the energy efficiency programs;
- Determining the required information transfers between the Program Manager(s) the Company and the Company's other energy efficiency or tracking system contractors;
- Creating, installing, testing and maintaining necessary data collection systems for program operation and evaluation;
- Establishing contact center processes, including one for the transfer of calls that the Company may receive through its call center, as well as a toll-free number that is properly staffed;
- Managing, advertising and marketing activities by the Company and CSP to promote its programs including:

  - Telemarketing, sales training, participation in and sponsorship of program/industry seminars and trade shows;
  - Special promotional "events" to encourage sales of high efficiency products, and/or retirement of less efficient equipment (e.g. Torchiere lamps) through "buy down" first cost and/or promotion of eligible equipment to customers;
  - Bill inserts, local newspaper ads, radio spots, direct mail, point-of-sale displays at retailers, the Company's website and on-line store. Retailers and manufacturers will also be involved in cross-promoting product offers in conjunction with national campaigns like Earth Day and ENERGY STAR® Change a Light, Change the World programs;

- Developing rebate application forms, and detailed processes for managing rebate/incentive applications, rebate/incentive payment processes, reporting procedures, data collection and data recording processes, internal billing and related documentation to be sent to the Company for processing;
- Performing energy savings calculations, collecting data and maintaining auditable records required to support program reporting, measurement and verification consistent with the TRM;

- Developing electronic payment between the Company and the Program Manager(s);
- Planning for development and launching promotional strategies, including creation of a website;
- Creating a check processing system (if deemed appropriate);
- Ensuring all other preparations needed before the programs are launched;
- Performing quality assurance and verification inspections;
- Conducting outreach, training, certification management, and coordination with trade allies;
- Performing outreach, communications, training and development of participation agreements with retailers and manufacturers for the Energy Efficient Products program, as appropriate;
- If applicable, performing energy audits; and
- Managing fulfillment of all requests for services or energy efficient products offered through the programs.

4.3.3. Describe any pending RFPs to be issued for additional CSPs.

It is anticipated that CSPs will be contracted to support implementation of programs, including but not limited to the following:

1. Residential sector program manager(s);
2. Commercial and Industrial sector program manager(s) (includes governmental sector as well);
3. Tracking/Reporting system; and,

5. Reporting and Tracking Systems

5.1. Reporting:

As more fully discussed in Section 5.2, the Company is in the process of integrating Applied Energy Group, Inc.'s (AEG) tracking and reporting system to provide the necessary reports across all FirstEnergy operating companies and the FirstEnergy system. The AEG system will have the ability to monitor the progress of the various programs being offered and generate reports required by the Commission.

5.1.1. List reports that would be provided to the Commission, the schedule for their delivery, and the intended contents.

Standard reports will be provided as necessary and required. The format and content will be consistent with that defined by the Commission. The Company currently anticipates that such reports will include at a minimum:

- The number of customer applications;
- Annualized rebates by program, utility, and operating company;
- Installed measures summary;
- Annualized impacts summary by measure type and by program;
- Program participation overview;
- Impacts versus goals; and
- Rebates versus budget.

Additionally the system will have the ability to generate standard reports and ad-hoc reports using a report writing tool. More complex queries will be performed by Reporting Business Analysts. Dashboards, and other reporting formats will be used to monitor program performance on an on-going basis.

5.1.2. Describe data that would be available (including format and time frame of availability) for Commission review and audit.

As indicated in Section 5.1.1, the AEG system will have the ability to provide reports as required by the Commission.

As part of the EE&C plan, a model has been created to project the amount of energy savings and demand reduction to be derived from the implementation of each measure. The model will be used to compare actual to projected energy savings and demand reduction goals.

5.2. Project Management Tracking Systems:

5.2.1. Provide brief overview of the data tracking system for managing and reporting measure, project, program and portfolio activities, status and performance as well as EDC and CSP performance and expenditures.

The Company intends to utilize AEG's comprehensive system to report and track activities and results associated with EE&C programs across the FirstEnergy Pennsylvania EDCs and the FirstEnergy system. The reporting and tracking system will have the ability to track a customer through program-specific milestones. The system will provide standard status reports for individual participants and overall programs. The system will be configured to provide any required reports for varying jurisdictions and service territories.

5.2.2. *Describe the software format, data exchange format, and database structure you will use for tracking participant and savings data. Provide examples of data fields captured.*

The reporting and tracking system will be web-based, allowing for access from any internet connection. It will interface directly with third party providers and internal existing systems wherever necessary to gather data, to insure data integrity and minimize duplicate data entry. The system will enable vendors to upload key metrics on a routine basis, (e.g., daily, weekly or monthly) and ensure data integrity through reconciliation processes. Not only will this reduce paperwork and minimize data entry, but it will support quality control and allow for easy access to track goal attainment and budget to actual costs. The Company is currently considering data fields such as:

- Customer name;
- Customer contact info (address, e-mail, phone);
- Customer type;
- Customer ID number;
- Account number;
- Premise number;
- Project/Program name;
- Contractor/Retailer;
- Measure;
- Costs;
- Service address;
- Job status;
- Completion date;
- NAICS;
- Heating system type;
- Square footage;
- kWh savings;
- Incentive;
- Enrollment method;
- Transaction results;
- Channel used;
- Measures recommended;

- Measures implemented;
- Type of appliance or equipment being replaced for fuel switching (in accordance with Commission Orders entered October 28, 2009 and January 28, 2010);
- Availability of natural gas at the customer's location or immediate area (in accordance with Commission Orders entered October 28, 2009 and January 28, 2010); and,
- Whether electric appliances or equipment were installed in areas where natural gas is available (in accordance with Commission Orders entered October 28, 2009 and January 28, 2010).

5.2.3. Describe access and mechanism for access for Commission and statewide EE&C Plan Evaluator.

The reporting and tracking system will be web based, thus requiring an internet connection for access. The system will be designed to allow for varying levels of security-controlled access by Company staff, program contractors, trade allies, customers, and system administrators. Access for others, such as Commission staff and the state-wide EE&C Plan Evaluator, will be provided as required. Access to an internet connection would be necessary because the application would be web-based.

6. Quality Assurance and Evaluation, Measurement and Verification

6.1 Quality Assurance/Quality Control:

The Company is committed to designing and implementing robust processes, organizations and systems to achieve the energy savings and demand reduction goals established by Act 129. The Company plans to use a two-fold approach to ensure the quality of its EE&C program during the design and implementation phases:

- Developing processes to clearly detail the steps to document and verify installation of measures to meet EE&C goals while complying with applicable tracking and reporting requirements; and
- Devising and implementing control points at various stages of these processes to establish and maintain quality.

The Quality Assurance/Quality Control program will be implemented by requiring selected CSPs to document processes and retain appropriate records. The Company will retain EM&V contractor(s), as well as internal auditors, who will audit and verify those records. This will be in addition to any requirements of the PUC's statewide evaluation contractor acting in its oversight role.

6.1.1 Describe overall approach to quality assurance and quality control.

The following are examples of specific steps that the Company is taking toward quality assurance and quality control during the design phase of its EE&C program:

- Administering customer surveys and using the results to design or select EE&C measures;
- Validating EE&C program assumptions with stakeholders;
- Using adequately qualified and experienced personnel, including contactors, to assist with the design and implementation of EE&C programs;
- Selecting EE&C measures compliant with the requirements of the Technical Reference Manual (TRM) of May 2009;
- Using proven approaches to reach both the energy savings and demand reduction targets set for each of the FirstEnergy Companies;
- Communicating frequently and effectively with stakeholders on EE&C program design and objectives; and
- Verifying periodically and systematically that established EE&C program design procedures and approaches are being followed.

During the implementation phase of the EE&C Plan, the Company intends to acquire selected program managers (or CSPs) to present processes that accurately document and verify data used to support energy savings and peak load reductions – all of which will be subject to audit and review by the PUC's evaluation contractor. The Company will perform, directly or through contract auditors, its own quality assurance processes, including audits of CSP systems, in order to ensure the accuracy and reliability of the reported data and savings. Such audits will have the following key characteristics:

- Both deemed and custom measures will be included in the audit universe;
- The sample size may cover a subset or the entire population for a particular measure;
- The frequency and sample size of these audits will vary based on the significance of any findings; and
- The control points will target specific risks associated with the design or implementation of EE&C measures.

6.1.2 Describe procedures for measure and project installation verification, quality assurance and control, and savings documentation.

The procedures intended to be use for measure and project installation, verification, quality assurance and control, and savings documentation are described below.

During the pre-installation phase, verification will occur to ensure that equipment such as lighting or motors that are to be replaced with more energy efficient ones are operational on the customer's premises. Such equipment will be checked to ensure that it meets any TRM and other applicable requirements. Samples of installed pieces of equipment will be audited as part of the quality assurance and control process.

For custom and large installations where considerable investment or large savings are anticipated, the Company will work with the PUC's evaluation contractor and PUC staff, as appropriate, to review the algorithms proposed by customers or trade allies to calculate energy savings and demand reductions from implementing custom EE&C measures. These reviews will support the accuracy and acceptance of the calculations that will be required to comply with the May 2009 TRM, as amended from time to time. In certain instances, more detailed procedures on designing and implementing specific measures may also be necessary.

While measures addressed in the Plan are found to be cost effective, determining the cost-effectiveness of custom applications is also a part of the pre-installation process for custom applications. For example, the Company will verify whether the cost of a saved kWh is cost effective. A similar check will be performed with respect to any demand reduction to be derived from a particular measure.

With respect to savings documentation, periodic surveys will be conducted to verify the installation and continued use of measures as required. Installation of additional measures not rebated will be identified, as well as behavioral changes that may affect outcomes. For large and/or custom installations, site verification visits will be conducted for a sample of participants to verify the presence and proper installation of equipment.

As part of the EE&C Plan, the Company will track, report and project the amount of energy savings and demand reduction to be derived from the implementation of measures. The model will be used to compare actual energy savings and demand reductions calculated in accordance with the TRM with program goals. The Company has already performed an RFI, and is reviewing several off-the-shelf DSM tracking computer packages which will be secured using the approved RFP process.

6.1.3 Describe process for collecting and addressing participating customer, contractor and trade ally feedback (e.g., suggestions and complaints).

During the design phase of the programs, the Company sought and obtained feedback on proposed EE&C programs from customers, contractors, trade allies and other stakeholders through a variety of methods. Representatives from all customer segments were surveyed or interviewed to obtain their input into EE&C program design. CSPs were surveyed with respect to their capabilities to help the Company achieve the mandated EE&C targets. Stakeholder meetings on different aspects of the EE&C program design were also held. To the extent possible, responses from these stakeholders have been factored in to the various program designs.

During the implementation phase of the EE&C plan, the Company hopes to gain additional direct input from various sources, including CSPs that perform program management and implementation services, stakeholders and other EDCs for relevant developments, the PUC and the PUC's evaluation contractor for insights into the evolution of the process. Customers will be surveyed to measure satisfaction with the programs and related services, and the efficiency of the EE&C measures being implemented. Further, the Company is currently investigating the creation of a hot line to register and resolve program and measurement complaints and suggestions from customers, and intends to continue to participate in EE&C working groups as well as internal monitoring efforts at the local, state and federal level.

6.2 *Describe any planned market and process evaluations and how results will be used to improve programs.*

The Company intends to retain an EM&V contractor to conduct process evaluations on each program within 6 months to one year of launch in order to identify issues that may require mid-course correction, gauge progress toward goals and measure customer, trade ally and vendor satisfaction with various program features. As part of responsible program management, the Company will require its CSPs or vendors to incorporate periodic customer satisfaction surveys (post card type or calls) to a random sample of participants on a quarterly or monthly basis. The testing of market pricing of products and other factors that might affect program implementation through market research will occur, particularly to test those measures that represent significant parts of the Plan. A periodic review of new technologies or innovations being adopted around the country or the world will also be conducted. This will include systematic research on EE&C development as well as benchmarking currently utilized EE&C processes against those of other utilities.

The results of these monitoring activities will be factored into existing EE&C programs in a variety of ways including the following:

- Mid-course corrections to address issues identified in the process evaluations;
- Adoption of lessons learned or leading practices from our benchmarking efforts;
- Identifying and mitigating risks associated with new EE&C measures; and
- Taking corrective actions to ensure that EE&C objectives are being reached.

6.3 *Describe strategy for coordinating with the statewide EE&C Plan Evaluator (nature and type of data will be provided in a separate Commission Order).*

The Company will comply with the requirements of the EE&C Plan evaluator. Contracts with delivery vendors will require them to provide data upon request to support any evaluations, as well as develop new "custom measure" protocols for appropriate approvals and possible additions to the TRM. Specifically, the Company will link its EE&C savings aggregate to statewide projects by:

- Determining requirements for coordinating EE&C programs energy/demand savings and cost/benefit data with statewide data base;
- Obtaining data transmission protocols and access requirements for exchanging EE&C program data with the state;
- Testing to verify that data integrity is maintained through linkage with statewide EE&C data base(s); and
- Validating and finalizing linkage protocols, procedures and processes.

At the completion of the above tasks, the Company expects to have developed or selected processes, technology and personnel for linking its EE&C program data with the statewide data base(s).

Cooperating with and supporting the EE&C Statewide Evaluator, up to and including annual audits of the Company's reports, will ensure compliance with Commission directives. In addition, the Company will continue to work with the EE&C Statewide Evaluator to review the assumptions regarding penetration rates, rebate levels, and free ridership associated with compact fluorescent lamp ("CFL") programs. The Company will provide an updated TRC analysis as part of the annual reporting process. These annual TRC analyses will facilitate appropriate Plan modifications in a timely manner.

7. Cost-Recovery Mechanism

7.1 Provide the amount of total annual revenues as of December 31, 2006, and provide a calculation of the total allowable EE&C costs based on 2% of that annual revenue amount.

WPP Table 9 – Allowable EE&C Revenue Calculation

December 31, 2006 Revenue divided by Twelve Months	
Monthly 2006 Revenue	$1,963,550
Dollars Available Total	West Penn Power
Total All Customers (48 mo budget)	$94,250,408

7.2 Description of plan in accordance with 66 Pa. C.S. §§ 1307 and 2806.1 to fund the energy efficiency and conservation measures, to include administrative costs.

See Section 4.2.3 for the budgeting process use to identify the funding for the energy efficiency and conservation measures. See Section 7.4 for a complete description of the cost recovery plan. Included within the cost recovery mechanism is an allocated portion of administrative start-up costs currently incurred by the Company in connection with the development of the Company's EE&C Programs in response to the Commission's orders and guidance at Docket No. M-2008-2069887. These costs to design, create, and obtain Commission approval for the Company's EE&C Programs include consultant costs, outside legal fees, and other direct and indirect costs associated with the development and implementation of the Company's EE&C Programs in compliance with Commission directives.

7.3 Provide data tables (see PUC Tables 6A, 6B and 6C).

Proposed modifications to PUC Table 6A are shown highlighted and are located in Appendix G, summarizing the results of the direct program budget process by class, referred to in Section 4.2.3 . PUC Table 6A presents utility costs that were individually calculated by program based on the level of effort required due to program participation.

Proposed modifications to PUC Table 6B are shown highlighted and are located in Appendix G summarizing the indirect program start-up costs, outside legal fees and consultant fees by class. Proposed modifications to PUC Table 6C, presenting the sum of both PUC Tables 6A and 6B, are shown highlighted and are located in Appendix G. PUC Table 6B provides the details of general non-program specific costs and allocates them into the three rate categories: Residential, Small Commercial and Industrial, and Large Commercial and Industrial.

The allocation of costs for consultant costs, employee expenses, M&V tracking system and outside legal fees are allocated using the results of the detailed budgeting process shown in Appendix D and presented in summary form PUC Table 6A. Audit Tool costs are only assigned to Residential customers since the system will be designed primarily for use by the Residential class.

7.4 Provide and describe tariffs and a Section 1307 cost recovery mechanism. Provide all calculations and supporting cost documentation.

The various EE&C programs proposed by the Company have a target market of residential, commercial, industrial, government, school and/or non-profit customers. With the exception of the Tariff No. 39 residential customer class and Tariff No. 37, the Company does not have retail rate schedules available separately for customer classes, such as commercial, industrial, government, school or non-profit customers. Instead, the Company's Tariff No. 39 non-residential rate schedules are available based upon customer size (i.e., minimum monthly billing demand) and service voltage. The Tariff No. 39 retail rate schedules can generally be grouped into the following customer classes:

Residential

Schedule 10 - Residential rate schedule available to all residential service customers.

Commercial

Schedule 20 - General Service rate schedule available to all non-residential customers, but designed for customers with a billing demand under 100 kW.

Schedule 22 - General Service rate schedule available to churches and schools. Schedule 22 was closed to new customers as of August 30, 1979.

Commercial & Industrial

Schedule 30 - Mid-size commercial and industrial rate schedule available to customers with a billing demand of 100 kW or greater. This rate schedule consists of a very wide spectrum of customers since billing demands range from 100 kW to 2,000 kW. Due to such a wide spectrum of customers, a convenient delineation point is the 500 kW threshold established in the Retail Electric Default Service Program and Competitive Procurement Plan at Docket No. P-00072342. This delineation point separates Schedule 30 customers into those with billed demands less than 500 kW and those with a billed demand of 500 kW or greater, and can also generally be used to group customers into a commercial class and an industrial class. As such, Schedule 30 customers with billed demands less than 500 kW can generally be considered commercial customers and are identified as "Schedule 30 (small)"; whereas Schedule 30 customers with a billed demand of 500 kW or greater can generally be considered industrial customers and are identified as "Schedule 30 (large)."

Industrial

Schedule 40 - Large industrial rate schedule available to customers with a billing demand of 2,000 kW or greater, with a service voltage of 25 kV or greater.

Schedule 41 - Large industrial rate schedule available to customers with a billing demand of 2,000 kW or greater, with a service voltage of 25 kV or greater. Schedule 41 was closed to new customers as of December 31, 1998.

Schedule 44 - Large interruptible industrial rate schedule available to customers with a billing demand of 5,000 kVA or greater, with a service voltage of 25 kV or greater. Schedule 44 was closed to new customers as of December 31, 1998.

Schedule 46 - Large industrial rate schedule available to customers with a billing demand of 30,000 kVA or greater, with a service voltage of 25 kV or greater. Schedule 46 was closed to new customers as of December 31, 1998.

Government/School/Non-Profit

Government, school and non-profit customers are served on suitable non-residential rate schedules listed above based on the size of their electrical load.

Street & Area Lighting

Schedules 51-58 and 71 – Unmetered street and area lighting rate schedules. Schedule 57 is available to all customers. All other street and area lighting rate schedules are closed to new customers.

Tariff No. 37 provides service to Pennsylvania State University's main campus at University Park in State College, Pennsylvania, and for the purposes of EE&C programs is classified similarly as industrial rate schedules.

The residential EE&C program allocation is straightforward since the Company has only one residential rate schedule, which means all residential EE&C programs, including programs associated with residential low income, are allocated to Tariff No. 39 Schedule 10.

With the exception of Tariff No. 37, the commercial, industrial, government, school, and non-profit EE&C program cost allocation is more complicated since the Company does not have Tariff No. 39 rate schedules dedicated solely to one specific class of customer. However, to align cost recovery with the customer class that will receive the direct energy and conservation benefits, the allocation of the non-residential EE&C programs follow the same guidelines as the target market and the previously discussed rate schedule/tariff customer class groupings. The Company's Current Plan (as-filed on September 10, 2010) will retain the allocation approved by Commission order entered January 13, 2011. The programs and budgets of this New Plan will be allocated as provided below:

Tariff Classification	C/I Equipment Program - Small	Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	C/I Equipment Program - Large	Customer Load Response Program	Customer Resources Demand Response Program	Distributed Generation Program	Governmental LED Traffic/Pedestrian Signals	Governmental Lighting	Governmental Custom Incentives	Conservation Voltage Reduction (CVR) Program	Street Lighting
Tariff No. 39, Schedule 20	X	X					X	X		X	
Tariff No. 39, Schedule 22	X	X						X		X	
Tariff No. 39, Schedule 30 (small)	X	X		X	X	X		X	X	X	
Tariff No. 39, Schedule 30 (large)	X		X	X	X	X		X	X	X	
Tariff No. 39, Schedule 40			X	X	X	X					
Tariff No. 39, Schedule 41			X	X	X	X					
Tariff No. 39, Schedule 44			X	X	X	X					
Tariff No. 39, Schedule 46			X	X	X	X					
Tariff No. 37			X	X	X	X				X	
Tariff No. 39, Schedules 51-58, 71											X

Although not all non-residential customers taking service under each rate schedule/tariff will participate in each and every program, the above allocation attributes programs to the various rate schedules/tariff where the customers taking service are most likely to have an application that permits them to participate in the program. However, even if costs of a program are not presently allocated to a given rate schedule/tariff, that does not mean that customers on the rate schedule/tariff are not eligible to participate. It just means that the number of participating customers taking service under the rate schedules/tariff that have not been allocated costs is not assumed to be material. However, should it be determined that the number of customers participating in a given program that has not

been allocated costs becomes material, a redesigned allocation methodology will be included in the reconciliation so that EE&C program costs and benefits are best aligned.

Consistent with Act 129, the Company's Tariff No. 39 and Tariff No. 37 will contain a Section 1307[10] cost recovery mechanism entitled EE&C Surcharge for the recovery of energy efficiency and conservation program costs. For residential customers, EE&C program costs are recovered as an addition to the currently approved distribution rates. For non-residential customers, EE&C program costs are recovered through a separately stated non-bypassable line-item bill surcharge rate that is specific to each designated Tariff No. 39 rate schedule and Tariff No. 37.

The EE&C Surcharge rates are expressed as a price per kWh for Schedules 10, 20 and 22 since the majority of customers on these rate schedules presently do not have demand meters. Additionally, the EE&C Surcharge rates are expressed as a price per kWh for street and area lighting Schedules 51, 52, 53, 54, 55, 56, 57, 58 and 71. Since all customers on Schedules 30 (small), 30 (large), 40, 41, 44, 46 and Tariff No. 37 have meters capable of recording demand, cost recovery for Schedule 30 (small) will be accomplished via a price per kWh energy surcharge and a price per kW billed demand surcharge, and cost recovery for Schedule 30 (large), 40, 41, 44, 46 and Tariff No. 37 will be accomplished via a price per kW PJM peak load contribution.

The Company will submit to the Commission by March 31 of each year: (1) a comparison between forecasted EE&C Surcharge revenues billed and actual revenues billed through February of the given year, as adjusted for removal of gross receipts tax; (2) any adjustment to the forecasted EE&C Surcharge revenues anticipated to be billed during March through May of the given year, as adjusted for removal of gross receipts tax; (3) any adjustment to the costs levelized through May 2013 based upon actual costs incurred through February of the given year and any revised estimates for future months, up to the amount permitted to be recovered under Act 129; and (4) the subsequent reconciliation effect to the EE&C Surcharge adjusted for gross receipts tax, and levelized over the period of June 1 of the given year and continuing through May 31, 2013. Consistent with the EE&C Surcharge tariff, the Company will perform a final reconciliation after May 31, 2013. The purpose of this annual reconciliation mechanism is to mitigate the magnitude of the reconciliation balance.

Commission approval of this annual reconciliation mechanism to ensure dollar for dollar recovery of all prudently incurred costs through May 31, 2013, with a projected aggregated cost of $94.25 million, will allow the Company to utilize regulatory accounting to properly match EE&C Surcharge revenues with EE&C program costs. The Company is requesting authorization for regulatory accounting to track on a dollar for dollar basis the amounts to be recovered on a deferred basis for any under-collections, or refunded on a deferred basis any over-collections, that may occur throughout the lifespan of the EE&C Surcharge, which can arise because of the levelized nature of the surcharge.

The Company is submitting the following as Appendix H:

1. A pro-forma EE&C Surcharge tariff for Tariff No. 39 and Tariff No. 37. The Company respectfully requests Commission approval to begin surcharge recovery effective on one day's notice on the portions of the EE&C Plan the Commission has approved.
2. The calculation of EE&C Surcharge rates based on the Company's Current Plan (as-filed on September 10, 2010), the programs and budgets of this New Plan, and updated sales forecasts and revenues.

[10] 66 Pa. C.S. § 1307

The EE&C Surcharge is designed on a levelized basis through May 31, 2013. Subject to the annual reconciliation mechanism described above, the EE&C Surcharge for each rate schedule/tariff based upon an effective date of December 1, 2011, is provided below:

Tariff Classification	$ per kWh	$ per kW	$ per kW PLC
Tariff No. 39, Schedule 10	$ 0.00178		
Tariff No. 39, Schedule 20	$ 0.00122		
Tariff No. 39, Schedule 22	$ 0.00128		
Tariff No. 39, Schedule 30 (small)	$ 0.00081	$ 0.46	
Tariff No. 39, Schedule 30 (large)			$ 0.51
Tariff No. 39, Schedule 40			$ 0.34
Tariff No. 39, Schedule 41			$ 0.35
Tariff No. 39, Schedule 44			$ 0.33
Tariff No. 39, Schedule 46			$ 0.34
Tariff No. 37			$ 0.23
Tariff No. 39, Schedules 51-58, 71	$ 0.00037		

All EE&C program costs (net-of-tax) and revenues included in the Company's EE&C Surcharge will be excluded from distribution base rate treatment and subject to Commission review and audit. To the extent that the Company is reimbursed through the EE&C Surcharge for Company-owned property, it will be treated as a contribution-in-aid-of-construction resulting in a net-of-tax reduction in amounts capitalized for those assets. As a result, these costs will be excluded from rate base in determining future distribution base rate case revenue requirements.

7.5 *Describe how the cost recovery mechanism will ensure that measures approved are financed by the same customer class that will receive the direct energy and conservation benefits*

Consistent with Act 129, the Company's EE&C Surcharge will permit it to bill levelized EE&C Surcharge rates on a per kWh and/or kW basis, to all customers that have been allocated EE&C program costs with reconciliation to actual EE&C program costs. The EE&C Surcharge rates will be calculated specifically for each rate schedule/tariff to recover the Company's EE&C program costs approved by the Commission in this proceeding and in compliance with 66 C.S. § 1307. Coupled with the annual reconciliation mechanism included in the Company's EE&C Surcharge tariff, the EE&C Surcharge rates will provide full, equitable and timely cost recovery of actual EE&C program costs incurred by the Company for each EE&C program as approved by the Commission in this proceeding.

8. Cost Effectiveness

8.1. Explain and demonstrate how the proposed plan will be cost effective as defined by the Total Resource Cost Test (TRC) specified by the Commission.

The EE&C plan is based upon the requirements and guidance of the Pennsylvania Total Resource Cost Test ("TRC") Manual. The TRC takes into account the combined effects of the EE&C Plan on both participating and non-participating customers. The sum of costs incurred by both the Company and any participating customers was used to calculate the costs. The benefits calculated in the TRC test include the avoided supply costs, including generation, transmission and distribution capacity costs, and the avoided energy supply costs calculated using the Commission requested third stage approach.

On the benefits side the approach requires during the first five-year period that the avoided energy costs be calculated using the wholesale electric generation prices as reflected in the NYMEX. The Company used ICE for forward prices, to reflect both on- and off-peak prices based upon PJM's schedule for on- and off-peak hours. The Company assumes the 5 years as 2011 through 2015. The Company chose a forward market data point of COB (close of business) May 26, 2011.

The Commission approach called for in the second five-year period has the avoided energy costs calculated using the NYMEX natural gas futures price. For 2016-2019 applied the spark-spread heat rate to the gas price to calculate a forward electric price. This calculation used the natural gas forward market observation date of COB June 10, 2011.

The Commission approach in the third five-year period requires that the avoided energy costs use the EIA Annual Energy Outlook. The prices during this timeframe are based on Middle Atlantic Region Natural Gas price from the US Department of Energy's (DOE) Energy Information Administration's (EIA) 2010 Annual Energy Outlook (AEO). The spark-spread heat rate was applied to the gas price to calculate a forward electric price.

For the avoided ancillary services cost, yield curves were created based on monthly average actual costs experienced in the APS zone for ancillary services for the period August 2009 through July 2010.

For the avoided generation supply capacity cost the Company used the current PJM Regional Pricing Model Auction (RPM) results for the APS zone. The avoided transmission and distribution capacity costs are based on unit rate forecasts for transmission and distribution based on the Company's current approved retail rates. The tariff rate schedules were rolled up into the rates classes in order to align with the Commission's Act 129 Implementation Orders.

The avoided capacity rates were escalated as defined by the Commission in the Pennsylvania TRC test. The escalator is the Producer Price Index Industry data. The average annual compound rate of growth in this index is 4.65%, for the period 2003 through 2010.

The benefits were then calculated using the measure kWh and kW savings multiplied by the assumed number of measure units[11] and the avoided capacity and energy costs. This value per year was then discounted by taking a Net Present Value (NPV) over the measure life-time using the post-tax weighted average cost of capital (WACC).

[11] Measure Unit refers to participants and/or number of items. The measure units, for example, can be a single customer participant (i.e. a customer get a new CAC system) or a count of lights bulbs as in the CFL rebate program.

On the costs side the TRC test includes the costs of the various programs incurred by the Company and the participating customers, including, equipment, installation, operation, and maintenance costs, cost of removal (less salvage value) for turn-in programs, and administrative costs. The costs are in 2011 dollars and are "as spent" due to the fact that each year's program is evaluated separately by measure and the budgeted number of measure units. Program costs are budgeted by year in 2011 dollars, but operation and maintenance costs are based on measure life and are discounted using NPV back to the program year installed.

As a result, the Company's EE&C Plan is cost-effective based on the TRC test as described above. The results of the TRC test are presented in PUC Table 1 and are expressed as both a net present value and a benefit-cost ratio.

8.2. Provide data tables (see Tables 7A thru 7E).

Proposed modifications to PUC Tables 7A thru 7E, presenting the summary TRC results by program, by year, in the five customer class segments outlined in the Commission Act 129 appendices are shown highlighted and are located in Appendix G.

9. Plan Compliance Information and Other Key Issues

9.1. Plan Compliance Issues.[12]

9.1.1. Describe how the plan provides a variety of energy efficiency, conservation, and load management measures and will provide the measures equitably to all classes of customers in accordance with the January 15 Implementation Order.

The Plan addresses all customer sectors with a variety of programs that offer a range of services from passive education (on-line audits) through direct installation (a variety of programs) and help overcome first cost barriers through incentives to customers and trade allies. The Plan primarily leverages the successful Plans implemented by the PA Companies. Tables 7 and 8 in Section 1 present a summary description of the programs by sector and the incentives offered under those with rebates. Detailed descriptions of each program are provided in Section 2.

9.1.2. Provide statement delineating the manner in which the EE&C plan will achieve the requirements of the program under 66 Pa. C.S. §§ 2806.1(c) & 2806.1(d).

The New Plan has been developed to incorporate a comprehensive set of programs that will enable the Company to achieve the goals established under Act 129 for energy and peak demand reductions post 2011, all achieved within the spending caps prescribed by the PUC Table 3.

9.1.3. Describe how EDC will ensure that no more than two percent of funds available to implement the plan shall be allocated for experimental equipment or devices.

Less than 2% of program funds are devoted to experimental equipment or devices. The New Plan focuses on encouraging the accelerated adoption of commercially available technologies for achieving the energy efficiency and demand response goals.

9.1.4. Provide statement delineating the manner in which the EE&C plan will achieve the Government/Non-Profit requirements under 66 Pa. C.S. §§ 2806.1(b)(1)(i)(B).

The plan will achieve Government/Non-Profit requirements through three groups of program services – federal government facilities located within the service territory, local government facilities, non-profits and schools. While all non-residential buildings are eligible for the prescriptive and custom energy efficiency programs, special efforts are targeted at these subdivisions of the government sector in recognition of their unique decision-making and financing processes for making capital improvements to facilities. The Company's programs will leverage existing company Area Manager relationships and experienced vendors who specialize in working with governmental accounts to get projects completed. (Section 1.1) Government programs are described in Section 3.5.

9.1.5. Describe how the plan will be competitively neutral to all distribution customers even if they are receiving supply from an EGS.

[12] These sub-sections may reference other chapters of the plan as they may restate what was included elsewhere in the plan, and are collected here only for convenience of review.

All programs are available to all Company Delivery Service Customers (with the exception of Borderline customers), and will be offered on a non-discriminating basis. Likewise, the EE-C Surcharge will collect the costs from all Delivery Service Customers; thereby assuring the plan is competitively neutral. The Company notes that it cannot prohibit customers taking generation service from alternative electric generation suppliers from participating in certain programs.

9.2. Other Key Issues:

9.2.1. Describe how this EE&C plan will lead to long-term, sustainable energy efficiency savings in the EDC's service territory and in Pennsylvania.

The aim of this EE&C plan is to elucidate the connections between end-use energy technologies, energy demand, and, to better guide energy decisions. The amount of energy used in the future is a central determinant of environmental impacts both within the Company's service territory and beyond. Energy use will depend on the demand for energy services and the technologies used to supply those services.

The Company's New Plan is intended to make people become more conscious of their energy usage and establish lifelong energy saving habits. In addition, all measures installed and appliances retired and/or replaced, resulting from the execution of the Company's New Plan including energy audits and technical assessments, have lengthy expected product lifetimes. They will save energy for years to come, easily bridging customers to even better technologies as they become available. So, the benefits of this plan will undoubtedly extend far beyond the length of specific programs.

9.2.2. Describe how this EE&C plan, and the EDC, will avoid possible overlaps between programs offered in different Pennsylvania EDC service territories as well as possibly programs offered in neighboring states.

The Company's EE&C plan consistently considered the programs of other Pennsylvania EDCs and those offered in neighboring states to ensure that little overlap will occur during the duration of the EE&C plan. The Company has participated in industry meetings and technical working groups to date that has informed the development of the plan to avoid overlaps and customer confusion. The Company will continue to participate in these industry forums.

9.2.3. Describe how this EE&C plan will leverage and utilize other financial resources, including funds from other public and private sector energy efficiency and solar energy programs.

The Company's approach has been to identify those programs that can be implemented earlier and which will require a more measured build up before targeted benefits are fully realized. Program transition and implementation activities will take advantage of existing delivery channels by both transitioning programs and adding electric energy savings measures and services to programs that are already implemented. This approach serves to keep costs down because visits are already being made to households and businesses, and it maximizes benefits because the additional funds and measures mean that opportunities will no longer be lost opportunities that would be more costly to go back and capture later. (Section1.1)

9.2.4. Describe how the EDC will address consumer education on energy efficiency, conservation, solar and solar photovoltaic systems, and geothermal heating, and other measures.

Essential to the success of these programs will be a concurrent marketing and educational campaign. Once Commission approval is obtained, the Company will immediately pursue marketing efforts to build awareness and interest in the new or revised programs and measures, ways to participate, expected benefits and reasons for participating. Included in each program's budget is a share of an initial marketing campaign for that sector; and sustaining marketing resources for subsequent years of the Plan to ensure adequate outreach for achieving program goals. The Company's Implementation Management Contractor is required to develop and execute a Marketing Plan that will include a requirement for a team member with educational expertise in social marketing and consumer behavior change. (Section 1.1)

9.2.5. Indicate that the EDC will provide a list of all eligible federal and state funding programs available to ratepayers for energy efficiency and conservation.

The Company will provide a list of all eligible federal and state funding programs to ratepayers as part of its EE&C Plan implementation.

9.2.6. Describe how the EDC will provide the public with information about the results from the programs.

The Company will make available summary reports to the Commission as part of its regular reporting responsibilities. Key findings will be summarized and posted on the Company website and other communications to the public that highlight the achievement of the EE&C programs.

10. List of Appendices

A. Commission approved electricity consumption forecast for the period of June 1, 2009 through May 31, 2010.

B. Average hourly demand in the EDCs 100 highest peak hours during the period of June 1, 2007 through September 30, 2007.

C. Approved CSP contracts

D. All measure budgeted costs by year, sum to programs, including administrative, marketing, and incentives costs.

E. Measure savings for programs included, including key assumptions

F. Annual measure participation numbers

G. PUC Tables 1-7

H. Tariff Rider - Energy Efficiency and Conservation Charge Rider

Appendix A

Commission approved electricity consumption forecast for the period of June 1, 2009 through May 31, 2010.

Allegheny Power Connected Load Forecast - MWh
2009 Budget Load Forecast (LF09D3)

Excludes wholesale

MWh

				Year	Month												
				2009									2010				
Company	Jurisdiction	Customer Class		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
WP	Total	Residential	Billed	529,351	609,016	645,129	564,357	507,847	538,695	638,677	716,090	712,641	662,568	581,508	510,839
		Commercial	Billed	413,374	443,405	453,634	436,814	406,266	402,812	422,967	437,106	433,178	427,224	414,760	406,236
		Industrial	Billed	699,976	665,389	717,813	711,374	698,869	710,604	689,229	720,813	762,429	712,259	737,987	722,303
		Street Lighting	Billed	4,359	4,359	4,359	4,360	4,360	4,360	4,361	4,361	4,361	4,362	4,362	4,362
		Net Energy Billed (MWh)		1,647,060	1,722,169	1,820,935	1,716,905	1,617,342	1,656,471	1,755,234	1,878,370	1,912,609	1,806,413	1,738,617	1,643,740
		Losses *		181,956	228,693	168,569	(43,190)	104,499	116,175	237,338	187,834	(19,497)	108,917	(24,902)	141,396
		Generation Calendar MWh	Calendar	1,828,316	1,950,862	1,989,505	1,673,715	1,721,468	1,772,646	1,992,572	2,066,204	1,893,112	1,915,330	1,713,715	1,785,137

* Forecasted losses include normal electrical transmission and distribution losses, company use (other than station use) and unaccounted-for differences between generation MWh and billed sales to regular customers

Appendix B

Average hourly demand in the EDC's 100 highest peak hours during the period of June 1, 2007 through September 30, 2007.

Highest 100 Peak Hours
June 1, 2007 - September 30, 2007
Data Excludes Wholesale Loads

Avg of Top 100 Hrs
3,496 MW

Rank	MW	Rank	MW
1	3,702	51	3,487
2	3,683	52	3,484
3	3,683	53	3,481
4	3,658	54	3,477
5	3,643	55	3,477
6	3,639	56	3,476
7	3,636	57	3,475
8	3,635	58	3,474
9	3,634	59	3,474
10	3,621	60	3,470
11	3,618	61	3,469
12	3,604	62	3,464
13	3,603	63	3,458
14	3,602	64	3,457
15	3,596	65	3,455
16	3,588	66	3,455
17	3,581	67	3,454
18	3,567	68	3,454
19	3,560	69	3,451
20	3,557	70	3,450
21	3,555	71	3,442
22	3,552	72	3,440
23	3,551	73	3,433
24	3,550	74	3,432
25	3,548	75	3,429
26	3,543	76	3,424
27	3,542	77	3,423
28	3,542	78	3,422
29	3,537	79	3,422
30	3,536	80	3,416
31	3,536	81	3,409
32	3,534	82	3,409
33	3,528	83	3,406
34	3,528	84	3,405
35	3,528	85	3,405
36	3,526	86	3,404
37	3,522	87	3,402
38	3,522	88	3,402
39	3,519	89	3,397
40	3,516	90	3,391
41	3,516	91	3,389
42	3,509	92	3,388
43	3,509	93	3,387
44	3,506	94	3,387
45	3,504	95	3,386
46	3,499	96	3,383
47	3,495	97	3,378
48	3,492	98	3,377
49	3,491	99	3,377
50	3,487	100	3,375

Appendix C

Approved CSP contract(s).

Company	Purpose
Aclara Software, Inc.	Energy Efficiency Audit & Education Portal
Blue Monde, LLC dba Promotion Fulfillment Ctr. (PFC)	Home Appliance Rebate Program
Eaton Corp.	Commercial & Industrial Energy Audits for PA Act 129
Energy Connect Inc.	Demand Response Resources Program for Commercial, Industrial, and Government Customers
Energy Smart Products	Energy Efficiency & Conservation CFL Kits
Garrison Hughes	Advertising & Communications
JACO Environmental	Appliance Recycling Program
PA Consulting	EM&V of PA Act 129 Residential and Nonresidential Conservation Programs
PowerDirect Marketing	Residential CFL Opt-In and Low Income Kits
PowerSecure, Inc.	Market & Manage the Distributed Generation Program
Schaedler Yesco	CFL & LED Exit Sign Conservation Program

Appendix D-1

All measure budgeted costs by year, sum to programs, including administrative, marketing, and incentives costs.

Period June 2009 to May 2010

Measure Name	Program Name	Customer Class	Utility Admin	Marketing	Evaluation	Outside Service	Incentive
LI Home Performance Check-Up & Appliance Replacement Program	Low Income Home Performance Check-Up & Appliance Replacement Program	Res - Low Income	$101,511	$7,911	$12,014	$57,674	$22,800
Joint Utility Usage Management Program	Low Income Joint Utility Usage Management Program	Res - Low Income	$51,126	$3,893	$6,979	$8,137	$0
CFL Overdrive - Opt In	Home Performance Program	Residential	$0	$0	$0	$0	$0
CFL Rewards Program	CFL Rewards Program	Residential	$151,814	$60,513	$4,852	$92,588	$0
Check-Up Audit	Home Performance Program	Residential	$2,138	$99,487	$5,368	$0	$0
Clothes Dryers	Energy Star Appliance Program	Residential	$18,483	$34,831	$4,195	$9,520	$0
Clothes Washers	Energy Star Appliance Program	Residential	$18,483	$34,831	$4,195	$9,997	$16,050
Comprehensive Audit	Home Performance Program	Residential	$2,167	$99,487	$5,368	$0	$0
Consumer Efficiency	Home Performance Program	Residential	$76,309	$101,313	$5,368	$46,291	$0
Dishwashers	Energy Star Appliance Program	Residential	$18,483	$34,831	$4,195	$9,565	$3,325
Domestic Hot Water Storage	Residential HVAC Efficiency Program	Residential	$0	$0	$0	$0	$0
Freezers Rebate	Energy Star Appliance Program	Residential	$18,549	$34,831	$4,195	$9,261	$0
Freezers Recycling	Energy Star Appliance Program	Residential	$18,734	$34,831	$4,195	$10,925	$805
High Efficiency Air Conditioner	Residential HVAC Efficiency Program	Residential	$76,056	$3,054	$7,394	$46,370	$0
High Efficiency Heat Pump	Residential HVAC Efficiency Program	Residential	$75,819	$3,054	$7,394	$46,406	$0
On-Line Audit	Home Performance Program	Residential	$76,965	$101,313	$5,368	$46,291	$37,301
Programmable Thermostat	Energy Star Appliance Program	Residential	$18,483	$34,831	$4,195	$9,258	$0
Refrigerators Rebate	Energy Star Appliance Program	Residential	$18,549	$34,831	$4,195	$9,267	$0
Refrigerators Recycling	Energy Star Appliance Program	Residential	$19,055	$34,831	$4,195	$19,349	$3,605
Residential HVAC Maintenance	Residential HVAC Efficiency Program	Residential	$0	$0	$0	$0	$0
Room Air Conditioner Rebate	Energy Star Appliance Program	Residential	$18,483	$34,831	$4,195	$9,351	$0
Room Air Conditioner Recycling	Energy Star Appliance Program	Residential	$18,783	$34,831	$4,195	$10,050	$350
CFLs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$44,785	$1,491	$4,288	$18,573	$30,918
LED Exit Signs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$44,785	$1,491	$4,288	$18,573	$20,239
LED Traffic Signals - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$43,460	$1,491	$4,288	$18,573	$0
T8s - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$43,460	$1,491	$4,288	$18,573	$0
Commercial CFLs	Commercial Lighting Efficiency Program	C&I - Small	$0	$0	$0	$0	$0
Commercial HVAC Maintenance	Commercial HVAC Maintenance Program	C&I - Small	$0	$0	$0	$0	$0
Commercial Smart Strips	Commercial Lighting Efficiency Program	C&I - Small	$0	$0	$0	$0	$0
Custom Commercial Program	Custom Commercial Program	C&I - Small	$151,952	$6,830	$1,065	$69,869	$0
High Efficiency Air Conditioner - Com	Commercial HVAC Maintenance Program	C&I - Small	$74,369	$10,655	$3,589	$34,934	$0
High Efficiency Heat Pump - Com	Commercial HVAC Maintenance Program	C&I - Small	$74,360	$10,655	$3,589	$34,934	$0
LED Exit Signs	Commercial Lighting Efficiency Program	C&I - Small	$40,106	$1,818	$2,252	$17,467	$0
Occupancy Sensors	Commercial Lighting Efficiency Program	C&I - Small	$40,106	$1,818	$2,252	$17,467	$0
T5s	Commercial Lighting Efficiency Program	C&I - Small	$40,234	$1,818	$2,252	$17,467	$0
T8s	Commercial Lighting Efficiency Program	C&I - Small	$41,371	$1,818	$2,252	$17,467	$0
Custom Applications Program	C&I Custom Applications Program	C&I - Large	$393,183	$6,807	$774	$261,279	$0
Variable Frequency Drives Program	C&I Custom Applications Program	C&I - Large	$384,010	$5,966	$828	$261,279	$0
		Grand Total	**$2,216,171**	**$882,484**	**$138,060**	**$1,256,755**	**$135,393**

Appendix D-2

All measure budgeted costs by year, sum to programs, including administrative, marketing, and incentives costs.

Period June 2010 to May 2011

Measure Name	Program Name	Customer Class	Utility Admin	Marketing	Evaluation	Outside Service	Incentive
LI Home Perf Check-Up & Appliance Replacement	Low Income Home Performance Check-Up & Appliance Replacement Program	Res - Low Income	$150,494	$2,909	$23,715	$285,852	$2,393,448
Joint Utility Usage Management Program	Low Income Joint Utility Usage Management Program	Res - Low Income	$83,040	$4,232	$26,614	$97,938	$171,953
CFL Overdrive - Opt In	Home Performance Program	Residential	$0	$0	$0	$62,220	$0
CFL Rewards Program	CFL Rewards Program	Residential	$84,009	$159,937	$51,585	$84,270	$406,008
Check-Up Audit	Home Performance Program	Residential	$21,504	$80,049	$16,829	$12,820	$0
Clothes Dryers	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$133,336
Clothes Washers	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$671,220
Comprehensive Audit	Home Performance Program	Residential	$21,504	$80,049	$16,829	$12,820	$0
Consumer Efficiency	Home Performance Program	Residential	$21,504	$80,049	$16,829	$12,820	$41,314
Dishwashers	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$104,236
Domestic Hot Water Storage	Residential HVAC Efficiency Program	Residential	$3,910	$41,985	$7,694	$4,266	$0
Freezers Rebate	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$4,336
Freezers Recycling	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$24,475
High Efficiency Air Conditioner	Residential HVAC Efficiency Program	Residential	$37,286	$56,150	$23,611	$18,972	$191,618
High Efficiency Heat Pump	Residential HVAC Efficiency Program	Residential	$37,286	$56,150	$23,611	$18,972	$166,255
On-Line Audit	Home Performance Program	Residential	$21,504	$80,049	$16,829	$12,820	$71,747
Programmable Thermostat	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$9,640
Refrigerators Rebate	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$83,870
Refrigerators Recycling	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$149,520
Residential HVAC Maintenance	Residential HVAC Efficiency Program	Residential	$3,910	$41,985	$7,694	$4,266	$0
Room Air Conditioner Rebate	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$34,102
Room Air Conditioner Recycling	Energy Star Appliance Program	Residential	$14,217	$150,042	$16,471	$50,837	$25,582
CFLs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$57,085	$2,907	$42,328	$11,304	$103,115
LED Exit Signs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$57,085	$2,907	$42,328	$11,304	$46,818
LED Traffic Signals - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$57,085	$2,907	$42,328	$11,304	$22,995
T8s - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$57,085	$2,907	$42,328	$11,304	$162,178
Commercial CFLs	Commercial Lighting Efficiency Program	C&I - Small	$0	$0	$0	$0	$0
Commercial HVAC Maintenance	Commercial HVAC Maintenance Program	C&I - Small	$0	$0	$0	$0	$245
Commercial Smart Strips	Commercial Lighting Efficiency Program	C&I - Small	$4,549	$508	$4,435	$1,757	$0
Custom Commercial Program	Custom Commercial Program	C&I - Small	$129,399	$16,841	$25,742	$48,967	$132,295
High Efficiency Air Conditioner - Com	Commercial HVAC Maintenance Program	C&I - Small	$57,317	$4,012	$10,830	$22,608	$0
High Efficiency Heat Pump - Com	Commercial HVAC Maintenance Program	C&I - Small	$57,317	$4,012	$10,830	$22,608	$0
LED Exit Signs	Commercial Lighting Efficiency Program	C&I - Small	$61,054	$1,905	$43,656	$11,413	$11,346
Occupancy Sensors	Commercial Lighting Efficiency Program	C&I - Small	$61,054	$1,905	$43,656	$11,413	$86,191
T5s	Commercial Lighting Efficiency Program	C&I - Small	$61,054	$1,905	$43,656	$11,413	$134,771
T8s	Commercial Lighting Efficiency Program	C&I - Small	$61,054	$1,905	$43,656	$11,413	$144,843
Custom Applications Program	C&I Custom Applications Program	C&I - Large	$203,327	$9,711	$22,527	$156,405	$439,625
Variable Frequency Drives Program	C&I Custom Applications Program	C&I - Large	$126,137	$6,283	$15,106	$46,553	$0
		Grand Total	$1,678,723	$2,244,579	$829,956	$1,526,172	$5,947,082

Appendix D-3A

All measure budgeted costs by year, sum to programs, including administrative, marketing, and incentives costs.

Period June 2011 to Nov 2011

Measure Name	Program Name	Customer Class	Utility Admin	Marketing	Evaluation	Outside Service	Incentive
LI Home Performance Check-Up & Appliance Replacement Program	Low Income Home Performance Check-Up & Appliance Replacement Program	Res - Low Income	$85,581	$18,500	$12,359	$54,342	$459,527
Joint Utility Usage Management Program	Low Income Joint Utility Usage Management Program	Res - Low Income	$90,272	$18,500	$17,978	$54,342	$919,708
CFL Overdrive - Opt In	Home Performance Program	Residential	$0	$1,000,000	$0	$314,780	$4,635,333
CFL Rewards Program	CFL Rewards Program	Residential	$107,100	$14,643	$22,470	$12,000	$227,268
Check-Up Audit	Home Performance Program	Residential	$38,442	$117,498	$15,342	$89,244	$0
Clothes Dryers	Energy Star Appliance Program	Residential	$10,710	$61,489	$6,864	$3,870	$69,809
Clothes Washers	Energy Star Appliance Program	Residential	$10,710	$61,489	$15,498	$4,628	$250,381
Comprehensive Audit	Home Performance Program	Residential	$0	$0	$0	$0	$0
Consumer Efficiency	Home Performance Program	Residential	$70,812	$53,496	$15,228	$234,981	$78,245
Dishwashers	Energy Star Appliance Program	Residential	$10,710	$61,489	$10,344	$7,709	$139,044
Domestic Hot Water Storage	Residential HVAC Efficiency Program	Residential	$53,550	$93,010	$23,382	$0	$124,207
Freezers Rebate	Energy Star Appliance Program	Residential	$10,710	$41,297	$10,428	$101,458	$47,048
Freezers Recycling	Energy Star Appliance Program	Residential	$10,710	$61,489	$5,298	$32,057	$8,671
High Efficiency Air Conditioner	Residential HVAC Efficiency Program	Residential	$16,062	$30,872	$4,638	$1,633	$29,455
High Efficiency Heat Pump	Residential HVAC Efficiency Program	Residential	$24,096	$4,748	$6,954	$250	$4,530
On-Line Audit	Home Performance Program	Residential	$82,244	$98,700	$14,196	$10,826	$235,622
Programmable Thermostat	Energy Star Appliance Program	Residential	$10,710	$41,297	$5,964	$5,989	$108,003
Refrigerators Rebate	Energy Star Appliance Program	Residential	$10,710	$61,489	$27,816	$310,002	$203,658
Refrigerators Recycling	Energy Star Appliance Program	Residential	$10,710	$61,489	$5,268	$31,589	$8,545
Residential HVAC Maintenance	Residential HVAC Efficiency Program	Residential	$13,386	$14,718	$3,864	$780	$14,046
Room Air Conditioner Rebate	Energy Star Appliance Program	Residential	$10,710	$39,500	$6,786	$8,165	$147,280
Room Air Conditioner Recycling	Energy Star Appliance Program	Residential	$10,710	$39,500	$10,716	$260,823	$66,275
CFLs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$26,391	$13,365	$1,986	$0	$0
LED Exit Signs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$26,391	$13,370	$12,954	$0	$219,348
LED Traffic Signals - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$26,391	$13,365	$6,300	$102	$86,160
T8s - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$26,391	$13,365	$8,154	$306	$123,063
Commercial CFLs	Commercial Lighting Efficiency Program	C&I - Small	$17,595	$13,368	$18,056	$140,875	$189,184
Commercial HVAC Maintenance	Commercial HVAC Maintenance Program	C&I - Small	$105,573	$26,735	$22,146	$10,111	$42,130
Commercial Smart Strips	Commercial Lighting Efficiency Program	C&I - Small	$17,595	$13,368	$4,799	$22,880	$38,132
Custom Commercial Program	Custom Commercial Program	C&I - Small	$120,655	$7,638	$20,611	$246,321	$947,389
High Efficiency Air Conditioner - Com	Commercial HVAC Maintenance Program	C&I - Small	$0	$0	$0	$0	$0
High Efficiency Heat Pump - Com	Commercial HVAC Maintenance Program	C&I - Small	$0	$0	$0	$0	$0
LED Exit Signs	Commercial Lighting Efficiency Program	C&I - Small	$17,595	$13,368	$13,153	$16,776	$863,981
Occupancy Sensors	Commercial Lighting Efficiency Program	C&I - Small	$17,595	$13,368	$13,153	$1,528	$230,586
T5s	Commercial Lighting Efficiency Program	C&I - Small	$17,595	$13,368	$2,738	$322	$23,474
T8s	Commercial Lighting Efficiency Program	C&I - Small	$17,595	$13,368	$48,076	$3,427	$927,130
Custom Applications Program	C&I Custom Applications Program	C&I - Large	$103,255	$10,822	$75,585	$75,555	$1,700,000
Variable Frequency Drives Program	C&I Custom Applications Program	C&I - Large	$0	$0	$0	$0	$0
		Grand Total	$1,209,262	$2,174,081	$489,104	$2,057,769	$13,167,190

Appendix D-3B

All measure budgeted costs by year, sum to programs, including administrative, marketing, and incentives costs.

Period Nov 2011 to May 2012

Measure #	Measure Name	Program Name	Customer Class	Utility Labor/Cost	Marketing	M&V	Retailer Sales Incentive	Rebate Processing	Retail Store Discount Tracking	Service Provider Costs	Service Provide Equip/Audit	Incentive Shipping & Other	Incentive Rebate for Equip	Annual Utility/SP O&M
1	CPR	CPR	Res	$111,624	$28,906	$39,544	$0	$0	$0	$0	$0	$0	$243,454	$0
4	1-Res Home Audits - CFL 4 - Low Flow 2	1-Res Audits	Res	$11,778	$0	$3,000	$0	$0	$0	$15,750	$0	$0	$258,750	$0
5	Targeted Audit - Space Heat	1-Res Audits	Res	$7,880	$600	$1,050	$0	$0	$0	$0	$0	$0	$32,278	$0
7	Refrigerator/Freezer recycling	2-RES App Turn-In	Res	$53,367	$8,370	$12,555	$0	$0	$0	$192,175	$0	$0	$187,400	$0
8	Room Air Conditioners	2-RES App Turn-In	Res	$2,528	$418	$1,674	$0	$0	$0	$10,044	$0	$0	$20,925	$0
9	ASHP - SEER 15	3-RES EE HVAC	Res	$4,332	$2,711	$856	$14,269	$1,427	$0	$0	$0	$0	$92,745	$0
10	CAC - SEER 15	3-RES EE HVAC	Res	$6,191	$6,270	$1,320	$16,499	$3,300	$0	$0	$0	$0	$148,494	$0
11	CAC - Maintenance	3-RES EE HVAC	Res	$528	$5,148	$528	$0	$782	$0	$0	$0	$0	$15,839	$0
12	Furnace Fans	3-RES EE HVAC	Res	$158	$172	$26	$0	$66	$0	$0	$0	$0	$528	$0
13	EE Ground Source Heat Pump	3-RES EE HVAC	Res	$1,512	$173	$150	$0	$75	$0	$0	$0	$0	$9,778	$0
14	Solar Water Heating	4-Res-EE P	Res	$222	$150	$30	$0	$75	$0	$0	$0	$0	$7,510	$0
15	HP Water Heater	4-Res-EE P	Res	$2,808	$1,897	$379	$0	$949	$0	$0	$0	$0	$58,918	$0
16	EE Water Heater	4-Res-EE P	Res	$22,463	$15,178	$3,036	$0	$7,589	$0	$0	$0	$0	$37,944	$0
18	Pool Pump Reprogramming	1-Res Audits	Res	$2,056	$22	$22	$43	$65	$0	$0	$0	$0	$1,736	$0
19	EnergyStarTV	4-Res-EE P	Res	$2,478	$620	$310	$0	$0	$0	$0	$0	$0	$12,400	$0
20	CFL Giveaway	4-Res-EE P	Res	$25,980	$21,000	$7,500	$0	$0	$0	$60,000	$0	$0	$105,000	$0
22	CFL bulbs regular - 13	4-Res-EE P	Res	$205,433	$89,260	$0	$0	$0	$223,200	$390,600	$0	$0	$491,040	$0
23	Clothes Washer Energy Star	4-Res-EE P	Res	$7,680	$1,200	$1,200	$6,000	$3,000	$0	$0	$0	$0	$30,000	$0
24	Dehumidifiers	4-Res-EE P	Res	$10,240	$1,600	$1,600	$8,000	$4,000	$0	$0	$0	$0	$8,000	$0
26	Holiday Lights	4-Res-EE P	Res	$528	$125	$125	$313	$500	$0	$0	$0	$0	$500	$0
28	Variable Speed Pool Pump	4-Res-EE P	Res	$1,210	$120	$120	$600	$240	$0	$0	$0	$0	$24,000	$0
29	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	$6,400	$1,000	$1,000	$5,000	$2,500	$0	$0	$0	$0	$5,000	$0
30	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	$6,400	$1,000	$1,000	$5,000	$2,500	$0	$0	$0	$0	$5,000	$0
31	Room Air Conditioners	4-Res-EE P	Res	$4,860	$0	$500	$0	$1,000	$0	$0	$0	$0	$12,500	$0
32	Smart Strip plug outlet	4-Res-EE P	Res	$39	$13	$0	$0	$0	$13	$0	$0	$0	$250	$0
33	Torchiere Floor Lamps	4-Res-EE P	Res	$39	$13	$0	$0	$0	$13	$0	$0	$0	$250	$0
34	CVR_RES	CVR_RES	Res	$808,228	$805	$644	$0	$0	$0	$22,539	$0	$0	$0	$0
35	CVR_LIRES	CVR_LIRES	Res	$202,057	$201	$161	$0	$0	$0	$5,635	$0	$0	$0	$0
36	Behavior_Mod	1-Res Audits	Res	$271,411	$0	$79,360	$0	$0	$0	$1,111,040	$0	$0	$0	$0
37	Estar Windows	1-Res Audits	Res	$18,098	$0	$2,604	$0	$0	$0	$0	$0	$0	$130,200	$0
38	Duct sealing 20 leakage base	1-Res Audits	Res	$19,400	$0	$1,302	$0	$0	$0	$0	$0	$0	$130,200	$0
43	Roof Insulation	1-Res Audits	Res	$18,098	$0	$2,604	$0	$0	$0	$0	$0	$0	$130,200	$0
44	Whole Building - Light Measure (Test-In)	1-Res Audits	Res	$104,535	$85,100	$2,804	$0	$0	$0	$0	$0	$0	$651,000	$0
45	LIEEP Direct Install Part	LIEEP	Res	$239,580	$0	$0	$0	$0	$0	$0	$0	$0	$947,018	$0
46	LIEEP FrigSwap	LIEEP	Res	$4,792	$0	$0	$0	$0	$0	$0	$0	$0	$145,665	$0
47	1-Res Home Audits - CFL 4 - Low Flow 2	LIEEP	Res	$1,767	$0	$450	$0	$0	$0	$2,363	$0	$0	$38,813	$0
48	Extra Measures	LIEEP	Res	$17,301	$0	$11,205	$0	$0	$0	$0	$0	$0	$72,833	$0
50	JUUMP	JUUMP	Res	$210,239	$0	$0	$0	$0	$0	$0	$0	$0	$1,212,615	$0
52	Multiple Family - CFL Lighting	LIEEP	Res	$21,880	$0	$1,000	$0	$0	$0	$26,000	$0	$0	$80,000	$0
54	Multiple Family - CFL - Master Metered	2-Governmental Programs	Res	$21,880	$0	$1,000	$0	$0	$0	$26,000	$0	$0	$80,000	$0
58	Low Income Lighting-Low Usage	7-Low Income	Res	$14,365	$0	$875	$0	$0	$0	$7,000	$0	$0	$133,000	$0
59	Multiple Family - CFL Lighting	1-Res Audits	Res	$10,940	$0	$500	$0	$0	$0	$14,000	$0	$0	$40,000	$0
63	Commercial CFL Program - Kits Mailed	3-C/I Equip	SM C&I	$46,056	$0	$0	$0	$0	$0	$15,000	$0	$0	$937,500	$0
64	CVR_GOV	CVR_GOV	LG C&I	$99,995	$0	$31	$0	$0	$0	$0	$0	$0	$0	$0
65	High Bay HID replaced by 6F54T5HO	2-Governmental Programs	LG C&I	$24,660	$0	$1,500	$0	$12,000	$0	$0	$0	$0	$865,260	$0
66	HPT8 4ft 4 lamp, T12 to HPT8	2-Governmental Programs	LG C&I	$24,660	$0	$1,500	$0	$12,000	$0	$0	$0	$0	$128,600	$0
67	LED Exit Signs (Retrofit Only)	2-Governmental Programs	LG C&I	$2,466	$0	$150	$0	$1,200	$0	$0	$0	$0	$15,000	$0
68	WalkThroughAndLighting	2-Governmental Programs	LG C&I	$12,246	$0	$26	$0	$208	$0	$0	$0	$0	$544,107	$0
69	LED Auto Traffic Signals	2-Governmental Programs	SM C&I	$2,466	$0	$150	$0	$1,200	$0	$0	$0	$0	$30,000	$0
70	LED Pedestrian Signals	2-Governmental Programs	SM C&I	$2,055	$0	$125	$0	$1,000	$0	$0	$0	$0	$25,000	$0
71	Street Lighting - Weighted Average All	2-Governmental Programs	Gov	$3,780	$0	$0	$0	$0	$0	$0	$0	$0	$10,000	$0
72	Gov CFL Program - Kits Mailed to Gov	2-Governmental Programs	LG C&I	$2,676	$2,500	$5,000	$0	$0	$0	$0	$0	$0	$156,250	$0
73	Custom Incentives Gov	2-Governmental Programs	LG C&I	$250,093	$0	$1,750	$0	$140	$0	$0	$0	$0	$420,000	$0
74	AC <65,000 1 Ph	3-C/I Equip	SM C&I	$592	$144	$72	$481	$241	$0	$0	$0	$0	$8,557	$0

75	AC 65,000 - 135,000	3-C/I Equip	SM C&I	$1,240	$238	$119	$1,188	$238	$0	$0	$0	$0	$10,971	$0
76	AC 240,000 - 760,000	3-C/I Equip	SM C&I	$1,240	$238	$119	$1,188	$238	$0	$0	$0	$0	$39,224	$0
77	Clothes Washer	3-C/I Equip	SM C&I	$1,230	$300	$150	$1,000	$500	$0	$0	$0	$0	$5,000	$0
78	AntiSweatHeater Controller for Cooler	3-C/I Equip	SM C&I	$4,219	$90	$90	$0	$180	$0	$0	$0	$0	$46,793	$0
79	AntiSweatHeater Controller for Freezers	3-C/I Equip	SM C&I	$4,219	$90	$80	$0	$180	$0	$0	$0	$0	$44,715	$0
80	ES Comm Solid Door Freezers < 20CF	3-C/I Equip	SM C&I	$44	$4	$4	$40	$10	$0	$0	$0	$0	$261	$0
81	ES Comm Solid Door Freezers 20 - 48CF	3-C/I Equip	SM C&I	$44	$4	$4	$40	$10	$0	$0	$0	$0	$599	$0
82	ES Comm Solid Door Refrigerators < 20CF	3-C/I Equip	SM C&I	$44	$4	$4	$40	$10	$0	$0	$0	$0	$127	$0
83	ES Comm Solid Door Refrigerators 20 -48 C	3-C/I Equip	SM C&I	$44	$4	$4	$40	$10	$0	$0	$0	$0	$251	$0
84	ES Ice Machines less than 500 lbs	3-C/I Equip	SM C&I	$547	$50	$50	$500	$125	$0	$0	$0	$0	$1,250	$0
85	ES Ice Machines 500 to 1000 lbs	3-C/I Equip	SM C&I	$109	$10	$10	$100	$25	$0	$0	$0	$0	$750	$0
86	ES Ice Machines more than 1000 lbs	3-C/I Equip	SM C&I	$44	$4	$4	$40	$10	$0	$0	$0	$0	$400	$0
87	ES Steam Cookers 3 Pan	3-C/I Equip	SM C&I	$44	$4	$4	$40	$10	$0	$0	$0	$0	$800	$0
88	High Bay HID replaced by 6F54T5HO	3-C/I Equip	SM C&I	$17,328	$2,400	$1,200	$0	$9,600	$0	$0	$0	$0	$532,224	$0
89	EE Water Heater	3-C/I Equip	SM C&I	$1,410	$126	$95	$63	$316	$0	$0	$0	$0	$1,581	$0
91	HPT8 4ft 4 lamp, T12 to HPT8	3-C/I Equip	SM C&I	$103,392	$24,000	$12,000	$0	$288,000	$0	$0	$0	$0	$1,036,800	$0
92	LED Exit Signs (Retrofit Only)	3-C/I Equip	SM C&I	$32,020	$1,250	$1,250	$0	$10,000	$0	$0	$0	$0	$125,000	$0
93	Occupancy Sensors under 500 W	3-C/I Equip	SM C&I	$3,795	$75	$75	$0	$600	$0	$0	$0	$0	$14,292	$0
94	Strip Mall Low Cost DI Suite	3-C/I Equip	SM C&I	$117,500	$250	$250	$0	$2,000	$0	$0	$0	$0	$1,681,675	$0
95	Commercial Smart Strip plug outlet	3-C/I Equip	SM C&I	$10	$0	$0	$0	$0	$3	$0	$0	$0	$50	$0
96	Pre Rinse Sprayers	3-C/I Equip	SM C&I	$15	$0	$0	$0	$0	$4	$0	$0	$0	$263	$0
97	Refrigerant charging correction	3-C/I Equip	SM C&I	$5,720	$1,000	$1,000	$0	$5,000	$0	$0	$0	$0	$75,000	$0
98	Evap Fan Motor	3-C/I Equip	SM C&I	$400	$200	$200	$0	$1,000	$0	$0	$0	$0	$5,000	$0
99	Strip curtains for walk-ins - freezer	3-C/I Equip	SM C&I	$572	$100	$100	$0	$500	$0	$0	$0	$0	$5,000	$0
100	Vending Equipment Controller	3-C/I Equip	SM C&I	$1,416	$200	$200	$1,000	$1,000	$0	$0	$0	$0	$25,000	$0
101	Custom Incentives Small	3-C/I Equip	SM C&I	$132,300	$1,875	$1,875	$0	$150,150	$0	$0	$0	$0	$450,000	$0
102	MasterMetered MultiFamily CFL Kits	8-Multiple Family	SM C&I	$21,880	$0	$1,000	$0	$0	$0	$28,000	$0	$0	$80,000	$0
104	High Bay HID replaced by 6F54T5HO	4-C/I Equip	LG C&I	$54,150	$7,500	$3,750	$0	$30,000	$0	$0	$0	$0	$693,000	$0
105	HPT8 4ft 4 lamp, T12 to HPT8	4-C/I Equip	LG C&I	$219,629	$9,300	$9,300	$0	$93,000	$0	$0	$0	$0	$334,800	$0
106	Occupancy Sensors under 500 W	4-C/I Equip	LG C&I	$1,930	$125	$125	$0	$1,000	$0	$0	$0	$0	$9,925	$0
109	Custom Incentives Large	4-C/I Equip	LG C&I	$41,138	$1,250	$125,000	$0	$12,600	$0	$0	$0	$0	$300,000	$0
110	CRDR-100	CRDR	SM C&I	$10,423	$161	$2,406	$0	$0	$0	$0	$0	$0	$91,190	$0
111	CRDR-50	CRDR	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
112	Distributed Generation	DG	LG C&I	$73,297	$70	$70	$875	$700	$0	$0	$0	$0	$153,183	$0
113	Customer Load Response	CLR	LG C&I	$227,888	$3,449	$22,948	$0	$0	$0	$0	$0	$0	$172,686	$0
114	CRDR-Vol	CRDR	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
115	Time-O-Use	TOU	SM C&I	$161,169	$493	$493	$6,168	$4,934	$0	$0	$0	$0	$74,892	$0
116	CVR_SCI	CVR_SCI	SM C&I	$580,041	$4	$4	$56	$45	$0	$0	$0	$0	$0	$0
117	CVR_LCI	CVR_LCI	LG C&I	$280,020	$2	$2	$27	$22	$0	$0	$0	$0	$0	$0
118	Water Pumps with VFD's	3-C/I Equip	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
119	HVAC Fans with VFD's	3-C/I Equip	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
120	Air Compressors with VFD's	3-C/I Equip	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
121	Water Pumps with VFD's	3-C/I Equip	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
122	HVAC Fans with VFD's	3-C/I Equip	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
123	Air Compressors with VFD's	3-C/I Equip	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
124	Water Pumps with VFD's	4-C/I Equip	LG C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
125	HVAC Fans with VFD's	4-C/I Equip	LG C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
126	Air Compressors with VFD's	4-C/I Equip	LG C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Appendix D-4

All measure budgeted costs by year, sum to programs, including administrative, marketing, and incentives costs.

Period June 2012 to May 2013

Measure #	Measure Name	Program Name	Customer Class	Utility Labor/Cost	Marketing	M&V	Retailer Sales Incentive	Rebate Processing	Retail Store Discount Tracking	Service Provider Costs	Service Provide Equip/Audit	Incentive Shipping & Other	Incentive Rebate for Equip	Annual Utility/SP O&M
1	CPR	CPR	Res	$108,442	$43,619	$59,673	$0	$0	$0	$0	$0	$0	$367,375	$0
4	1-Res Home Audits - CFL 4 - Low Flow 2	1-Res Audits	Res	$19,830	$0	$5,000	$0	$0	$0	$26,250	$0	$0	$431,250	$0
5	Targeted Audit - Space Heat	1-Res Audits	Res	$15,780	$1,200	$2,100	$0	$0	$0	$0	$0	$0	$84,555	$0
7	Refrigerator/Freezer recycling	2-RES App Turn-In	Res	$106,734	$16,740	$25,110	$0	$0	$0	$384,350	$0	$0	$334,800	$0
8	Room Air Conditioners	2-RES App Turn-In	Res	$5,055	$837	$3,348	$0	$0	$0	$20,088	$0	$0	$41,850	$0
9	ASHP - SEER 15	3-RES EE HVAC	Res	$8,864	$5,422	$1,712	$28,537	$2,854	$0	$0	$0	$0	$195,491	$0
10	CAC - SEER 15	3-RES EE HVAC	Res	$12,381	$12,540	$2,640	$32,999	$6,600	$0	$0	$0	$0	$296,988	$0
11	CAC - Maintenance	3-RES EE HVAC	Res	$2,640	$25,739	$2,640	$0	$3,960	$0	$0	$0	$0	$79,197	$0
12	Furnace Fans	3-RES EE HVAC	Res	$779	$858	$132	$0	$330	$0	$0	$0	$0	$2,640	$0
13	EE Ground Source Heat Pump	3-RES EE HVAC	Res	$3,025	$345	$300	$0	$150	$0	$0	$0	$0	$19,555	$0
14	Solar Water Heating	4-Res-EE P	Res	$445	$300	$60	$0	$150	$0	$0	$0	$0	$15,020	$0
15	HP Water Heater	4-Res-EE P	Res	$4,680	$3,162	$632	$0	$1,581	$0	$0	$0	$0	$94,860	$0
16	EE Water Heater	4-Res-EE P	Res	$37,438	$25,296	$5,059	$0	$12,648	$0	$0	$0	$0	$63,240	$0
18	Pool Pump Rerprogramming	1-Res Audits	Res	$4,113	$43	$43	$87	$130	$0	$0	$0	$0	$3,472	$0
19	EnergyStarTV	4-Res-EE P	Res	$4,838	$1,240	$620	$0	$0	$0	$0	$0	$0	$24,800	$0
20	CFL Giveaway	4-Res-EE P	Res	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
22	CFL bulbs regular - 13	4-Res-EE P	Res	$342,369	$148,800	$0	$0	$0	$372,000	$651,000	$0	$0	$818,400	$0
23	Clothes Washer Energy Star	4-Res-EE P	Res	$12,800	$2,000	$2,000	$10,000	$5,000	$0	$0	$0	$0	$50,000	$0
24	Dehumidifiers	4-Res-EE P	Res	$10,614	$1,658	$1,658	$8,292	$4,146	$0	$0	$0	$0	$8,292	$0
26	Holiday Lights	4-Res-EE P	Res	$1,055	$250	$250	$625	$1,000	$0	$0	$0	$0	$1,000	$0
28	Variable Speed Pool Pump	4-Res-EE P	Res	$1,512	$150	$150	$750	$300	$0	$0	$0	$0	$30,000	$0
29	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	$12,800	$2,000	$2,000	$10,000	$5,000	$0	$0	$0	$0	$10,000	$0
30	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	$12,800	$2,000	$2,000	$10,000	$5,000	$0	$0	$0	$0	$10,000	$0
31	Room Air Conditioners	4-Res-EE P	Res	$9,720	$0	$1,000	$0	$2,000	$0	$0	$0	$0	$25,000	$0
32	Smart Strip plug outlet	4-Res-EE P	Res	$77	$25	$0	$0	$0	$25	$0	$0	$0	$500	$0
33	Torchiere Floor Lamps	4-Res-EE P	Res	$77	$25	$0	$0	$0	$25	$0	$0	$0	$500	$0
34	CVR_RES	CVR_RES	Res	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
35	CVR_LIRES	CVR_LIRES	Res	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
36	Behavior Mod	1-Res Audits	Res	$339,284	$0	$88,200	$0	$0	$0	$1,388,800	$0	$0	$0	$0
37	Estar Windows	1-Res Audits	Res	$36,196	$0	$5,208	$0	$0	$0	$0	$0	$0	$260,400	$0
38	Duct sealing 20 leakage base	1-Res Audits	Res	$38,800	$0	$2,604	$0	$0	$0	$0	$0	$0	$260,400	$0
43	Roof Insulation	1-Res Audits	Res	$36,196	$0	$5,208	$0	$0	$0	$0	$0	$0	$260,400	$0
44	Whole Building - Light Measure (Test-In)	1-Res Audits	Res	$174,225	$106,500	$4,340	$0	$0	$0	$0	$0	$0	$1,085,000	$0
45	LIEEP Direct Install Part	LIEEP	Res	$266,199	$0	$0	$0	$0	$0	$0	$0	$0	$1,052,243	$0
46	LIEEP FrigSwap	LIEEP	Res	$5,324	$0	$0	$0	$0	$0	$0	$0	$0	$161,850	$0
47	1-Res Home Audits - CFL 4 - Low Flow 2	LIEEP	Res	$2,945	$0	$750	$0	$0	$0	$3,938	$0	$0	$64,688	$0
48	Extra Measures	LIEEP	Res	$19,223	$0	$12,450	$0	$0	$0	$0	$0	$0	$80,975	$0
50	JUUMP	JUUMP	Res	$233,599	$0	$0	$0	$0	$0	$0	$0	$0	$1,347,350	$0
52	Multiple Family - CFL Lighting	LIEEP	Res	$5,470	$0	$250	$0	$0	$0	$7,000	$0	$0	$20,000	$0
54	Multiple Family - CFL - Master Metered	2-Governmental Programs	Res	$2,735	$0	$125	$0	$0	$0	$3,500	$0	$0	$10,000	$0
58	Low Income Lighting-Low Usage	7-Low Income	Res	$14,385	$0	$875	$0	$0	$0	$7,000	$0	$0	$133,000	$0
59	Multiple Family - CFL Lighting	1-Res Audits	Res	$3,282	$0	$150	$0	$0	$0	$4,200	$0	$0	$12,000	$0
63	Commercial CFL Program - Kits Mailed	3-C/I Equip	SM C&I	$48,056	$0	$0	$0	$0	$0	$15,000	$0	$0	$937,500	$0
64	CVR_GOV	CVR_GOV	LG C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
65	High Bay HID replaced by 6F54T5HO	2-Governmental Programs	LG C&I	$41,100	$0	$2,500	$0	$20,000	$0	$0	$0	$0	$1,108,800	$0
66	HPT8 4ft 4 lamp, T12 to HPT8	2-Governmental Programs	LG C&I	$41,100	$0	$2,500	$0	$20,000	$0	$0	$0	$0	$216,000	$0
67	LED Exit Signs (Retrofit Only)	2-Governmental Programs	LG C&I	$3,288	$0	$200	$0	$1,600	$0	$0	$0	$0	$20,000	$0
68	WalkThroughAndLighting	2-Governmental Programs	LG C&I	$12,246	$0	$26	$0	$208	$0	$0	$0	$0	$544,107	$0
69	LED Auto Traffic Signals	2-Governmental Programs	SM C&I	$2,466	$0	$150	$0	$1,200	$0	$0	$0	$0	$30,000	$0
70	LED Pedestrian Signals	2-Governmental Programs	SM C&I	$2,466	$0	$150	$0	$1,200	$0	$0	$0	$0	$30,000	$0
71	Street Lighting - Weighted Average All	2-Governmental Programs	Gov	$7,560	$0	$0	$0	$0	$0	$0	$0	$0	$20,000	$0
72	Gov CFL Program - Kits Mailed to Gov	2-Governmental Programs	LG C&I	$2,876	$2,500	$5,000	$0	$0	$0	$0	$0	$0	$156,250	$0
73	Custom Incentives Gov	2-Governmental Programs	LG C&I	$250,093	$0	$1,750	$0	$140	$0	$0	$0	$0	$420,000	$0
74	AC <65,000 1 Ph	3-C/I Equip	SM C&I	$1,184	$289	$144	$963	$481	$0	$0	$0	$0	$17,114	$0

75	AC 65,000 - 135,000	3-C/I Equip	SM C&I	$2,480	$475	$238	$2,375	$475	$0	$0	$0	$0	$21,942	$0
76	AC 240,000 - 760,000	3-C/I Equip	SM C&I	$2,480	$475	$238	$2,375	$475	$0	$0	$0	$0	$76,449	$0
77	Clothes Washer	3-C/I Equip	SM C&I	$2,480	$600	$300	$2,000	$1,000	$0	$0	$0	$0	$10,000	$0
78	AntiSweatHeater Controller for Cooler	3-C/I Equip	SM C&I	$8,436	$180	$180	$0	$360	$0	$0	$0	$0	$97,567	$0
79	AntiSweatHeater Controller for Freezers	3-C/I Equip	SM C&I	$8,436	$180	$180	$0	$360	$0	$0	$0	$0	$89,429	$0
80	ES Comm Solid Door Freezers < 20CF	3-C/I Equip	SM C&I	$88	$8	$8	$80	$20	$0	$0	$0	$0	$521	$0
81	ES Comm Solid Door Freezers 20 - 48CF	3-C/I Equip	SM C&I	$88	$8	$8	$80	$20	$0	$0	$0	$0	$1,193	$0
82	ES Comm Solid Door Refrigerators < 20CF	3-C/I Equip	SM C&I	$88	$8	$8	$80	$20	$0	$0	$0	$0	$254	$0
83	ES Comm Solid Door Refrigerators 20 -48 C	3-C/I Equip	SM C&I	$88	$8	$8	$80	$20	$0	$0	$0	$0	$503	$0
84	ES Ice Machines less than 500 lbs	3-C/I Equip	SM C&I	$1,094	$100	$100	$1,000	$250	$0	$0	$0	$0	$2,500	$0
85	ES Ice Machines 500 to 1000 lbs	3-C/I Equip	SM C&I	$219	$20	$20	$200	$50	$0	$0	$0	$0	$1,500	$0
86	ES Ice Machines more than 1000 lbs	3-C/I Equip	SM C&I	$88	$8	$8	$80	$20	$0	$0	$0	$0	$800	$0
87	ES Steam Cookers 3 Pan	3-C/I Equip	SM C&I	$88	$8	$8	$80	$20	$0	$0	$0	$0	$1,600	$0
88	High Bay HID replaced by 8F54T5HO	3-C/I Equip	SM C&I	$28,880	$4,000	$2,000	$0	$16,000	$0	$0	$0	$0	$887,040	$0
89	EE Water Heater	3-C/I Equip	SM C&I	$2,821	$253	$190	$126	$632	$0	$0	$0	$0	$3,162	$0
91	HPT8 4ft 4 lamp, T12 to HPT8	3-C/I Equip	SM C&I	$172,320	$40,000	$20,000	$0	$480,000	$0	$0	$0	$0	$1,728,000	$0
92	LED Exit Signs (Retrofit Only)	3-C/I Equip	SM C&I	$32,020	$1,250	$1,250	$0	$10,000	$0	$0	$0	$0	$125,000	$0
93	Occupancy Sensors under 500 W	3-C/I Equip	SM C&I	$7,590	$150	$150	$0	$1,200	$0	$0	$0	$0	$28,584	$0
94	Strip Mall Low Cost DI Suite	3-C/I Equip	SM C&I	$176,250	$375	$375	$0	$3,000	$0	$0	$0	$0	$2,622,513	$0
95	Commercial Smart Strip plug outlet	3-C/I Equip	SM C&I	$20	$0	$0	$0	$0	$5	$0	$0	$0	$100	$0
96	Pre Rinse Sprayers	3-C/I Equip	SM C&I	$31	$0	$0	$0	$0	$8	$0	$0	$0	$525	$0
97	Refrigerant charging correction	3-C/I Equip	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
98	Evap Fan Motor	3-C/I Equip	SM C&I	$400	$200	$200	$0	$1,000	$0	$0	$0	$0	$5,000	$0
99	Strip curtains for walk-ins - freezer	3-C/I Equip	SM C&I	$572	$100	$100	$0	$500	$0	$0	$0	$0	$5,000	$0
100	Vending Equipment Controller	3-C/I Equip	SM C&I	$2,832	$400	$400	$2,000	$2,000	$0	$0	$0	$0	$50,000	$0
101	Custom Incentives Small	3-C/I Equip	SM C&I	$176,400	$2,500	$2,500	$0	$200,200	$0	$0	$0	$0	$600,000	$0
102	MasterMetered MultiFamily CFL Kits	8-Multiple Family	SM C&I	$2,735	$0	$125	$0	$0	$0	$3,500	$0	$0	$10,000	$0
104	High Bay HID replaced by 6F54T5HO	4-C/I Equip	LG C&I	$90,250	$12,500	$6,250	$0	$50,000	$0	$0	$0	$0	$1,155,000	$0
105	HPT8 4ft 4 lamp, T12 to HPT8	4-C/I Equip	LG C&I	$366,048	$15,500	$15,500	$0	$155,000	$0	$0	$0	$0	$558,000	$0
106	Occupancy Sensors under 500 W	4-C/I Equip	LG C&I	$3,880	$250	$250	$0	$2,000	$0	$0	$0	$0	$19,850	$0
109	Custom Incentives Large	4-C/I Equip	LG C&I	$41,138	$1,250	$125,000	$0	$12,600	$0	$0	$0	$0	$300,000	$0
110	CRDR-100	CRDR	SM C&I	$234,522	$3,621	$54,126	$0	$0	$0	$0	$0	$0	$2,051,788	$0
111	CRDR-50	CRDR	SM C&I	$164,166	$2,535	$37,888	$0	$0	$0	$0	$0	$0	$3880,000	$0
112	Distributed Generation	DG	LG C&I	$146,593	$140	$140	$1,750	$1,400	$0	$0	$0	$0	$306,367	$0
113	Customer Load Response	CLR	LG C&I	$569,721	$8,621	$57,369	$0	$0	$0	$0	$0	$0	$431,714	$0
114	CRDR-Vol	CRDR	SM C&I	$164,166	$2,535	$37,888	$0	$0	$0	$0	$0	$0	$150,000	$0
115	Time-O-Use	TOU	SM C&I	$286,815	$822	$822	$10,280	$8,224	$0	$0	$0	$0	$124,621	$0
116	CVR_SCI	CVR_SCI	SM C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
117	CVR_LCI	CVR_LCI	LG C&I	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
118	Water Pumps with VFD's	3-C/I Equip	SM C&I	$36	$0	$0	$3	$2	$0	$0	$0	$0	$30	$0
119	HVAC Fans with VFD's	3-C/I Equip	SM C&I	$36	$0	$0	$3	$2	$0	$0	$0	$0	$30	$0
120	Air Compressors with VFD's	3-C/I Equip	SM C&I	$36	$0	$0	$3	$2	$0	$0	$0	$0	$30	$0
121	Water Pumps with VFD's	3-C/I Equip	SM C&I	$152	$0	$1	$10	$2	$0	$0	$0	$0	$150	$0
122	HVAC Fans with VFD's	3-C/I Equip	SM C&I	$152	$0	$1	$10	$2	$0	$0	$0	$0	$150	$0
123	Air Compressors with VFD's	3-C/I Equip	SM C&I	$152	$0	$1	$10	$2	$0	$0	$0	$0	$150	$0
124	Water Pumps with VFD's	4-C/I Equip	LG C&I	$225	$0	$1	$20	$2	$0	$0	$0	$0	$300	$0
125	HVAC Fans with VFD's	4-C/I Equip	LG C&I	$225	$0	$1	$20	$2	$0	$0	$0	$0	$300	$0
126	Air Compressors with VFD's	4-C/I Equip	LG C&I	$225	$0	$1	$20	$2	$0	$0	$0	$0	$300	$0

Appendix D-5A

Per Unit Budgeted Assumption per Measure

Period June 2009 to Nov 2011

Measure Name	Program Name	Customer Class	Utility Admin	Marketing	Evaluation	Outside Service	Incentive
LI Home Performance Check-Up & Appliance Replacement Program	Low Income Home Performance Check-Up & Appliance Replacement Program	Res - Low Income	$5	$0	$1	$5	$40
Joint Utility Usage Management Program	Low Income Joint Utility Usage Management Program	Res - Low Income	$235	$28	$54	$188	$1,145
CFL Overdrive - Opt In	Home Performance Program	Residential	$0	$3	$0	$1	$15
CFL Rewards Program	CFL Rewards Program	Residential	$0	$0	$0	$0	$1
Check-Up Audit	Home Performance Program	Residential	$0	$0	$0	$0	$0
Clothes Dryers	Energy Star Appliance Program	Residential	$5	$29	$3	$8	$24
Clothes Washers	Energy Star Appliance Program	Residential	$3	$17	$2	$4	$64
Comprehensive Audit	Home Performance Program	Residential	$0	$0	$0	$0	$0
Consumer Efficiency	Home Performance Program	Residential	$7	$9	$1	$12	$5
Dishwashers	Energy Star Appliance Program	Residential	$6	$36	$5	$10	$36
Domestic Hot Water Storage	Residential HVAC Efficiency Program	Residential	$407	$956	$220	$30	$880
Freezers Rebate	Energy Star Appliance Program	Residential	$99	$515	$71	$368	$117
Freezers Recycling	Energy Star Appliance Program	Residential	$52	$295	$31	$112	$41
High Efficiency Air Conditioner	Residential HVAC Efficiency Program	Residential	$66	$46	$18	$34	$113
High Efficiency Heat Pump	Residential HVAC Efficiency Program	Residential	$82	$38	$23	$39	$102
On-Line Audit	Home Performance Program	Residential	$4	$7	$1	$2	$8
Programmable Thermostat	Energy Star Appliance Program	Residential	$55	$286	$34	$84	$149
Refrigerators Rebate	Energy Star Appliance Program	Residential	$11	$61	$12	$92	$72
Refrigerators Recycling	Energy Star Appliance Program	Residential	$20	$113	$12	$47	$74
Residential HVAC Maintenance	Residential HVAC Efficiency Program	Residential	$34	$110	$22	$10	$27
Room Air Conditioner Rebate	Energy Star Appliance Program	Residential	$14	$71	$9	$22	$58
Room Air Conditioner Recycling	Energy Star Appliance Program	Residential	$25	$127	$18	$182	$52
CFLs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$1	$0	$1	$0	$1
LED Exit Signs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$11	$2	$5	$3	$24
LED Traffic Signals - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$283	$37	$110	$62	$226
T8s - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	$11	$2	$5	$3	$25
Commercial CFLs	Commercial Lighting Efficiency Program	C&I - Small	$1	$1	$1	$9	$12
Commercial HVAC Maintenance	Commercial HVAC Maintenance Program	C&I - Small	$563	$143	$118	$54	$226
Commercial Smart Strips	Commercial Lighting Efficiency Program	C&I - Small	$86	$54	$36	$96	$148
Custom Commercial Program	Custom Commercial Program	C&I - Small	$9,029	$703	$1,065	$8,201	$24,249
High Efficiency Air Conditioner - Com	Commercial HVAC Maintenance Program	C&I - Small	$0	$0	$0	$0	$0
High Efficiency Heat Pump - Com	Commercial HVAC Maintenance Program	C&I - Small	$0	$0	$0	$0	$0
LED Exit Signs	Commercial Lighting Efficiency Program	C&I - Small	$104	$15	$52	$40	$766
Occupancy Sensors	Commercial Lighting Efficiency Program	C&I - Small	$27	$4	$13	$7	$67
T5s	Commercial Lighting Efficiency Program	C&I - Small	$12	$2	$5	$3	$16
T8s	Commercial Lighting Efficiency Program	C&I - Small	$11	$2	$9	$3	$102
Custom Applications Program	C&I Custom Applications Program	C&I - Large	$5,705	$223	$806	$4,022	$17,445
Variable Frequency Drives Program	C&I Custom Applications Program	C&I - Large	$0	$0	$0	$0	$0

Appendix D-5B

Per Unit Budgeted Assumption per Measure

Period Nov 2011 to May 2013

Measure #	Measure Name	Program Name	Customer Class	First Year start up costs	Base Cost after First Year	Per Unit A&G	Per Unit Program Costs	Per Unit Utility Costs	Utility Labor/Cost	Base Marketing	Per Unit Marketing	Per Unit M&V	Retailer Sales Incentive	Rebate Processing	Retail Store Discount Tracking	Service Provider Costs	Service Provide Equip/Audit	Incentive Shipping & Other	Incentive Rebate for Equip
1	CPR	CPR	Res	$451,264	$0	$1	$14	$14	$9	$0	$2	$3	$0	$0	$0	$0	$0	$0	$19
4	1-Res Home Audits - CFL 4 - Low Flow 2	1-Res Audits	Res	$0	$0	$1	$10	$10	$4	$0	$0	$1	$0	$0	$0	$5	$0	$0	$86
5	Targeted Audit - Space Heat	1-Res Audits	Res	$0	$0	$4	$60	$64	$53	$0	$4	$7	$0	$0	$0	$0	$0	$0	$215
7	Refrigerator/Freezer recycling	2-RES App Turn-In	Res	$0	$0	$8	$55	$64	$13	$0	$2	$3	$0	$0	$0	$46	$0	$0	$40
8	Room Air Conditioners	2-RES App Turn-In	Res	$0	$0	$8	$12	$18	$3	$0	$1	$2	$0	$0	$0	$12	$0	$0	$25
9	ASHP - SEER 15	3-RES EE HVAC	Res	$0	$0	$5	$78	$83	$15	$0	$10	$3	$50	$5	$0	$0	$0	$0	$375
10	CAC - SEER 15	3-RES EE HVAC	Res	$0	$0	$3	$48	$51	$9	$0	$10	$2	$25	$5	$0	$0	$0	$0	$225
11	CAC - Maintenance	3-RES EE HVAC	Res	$0	$0	$2	$25	$27	$2	$0	$20	$2	$0	$3	$0	$0	$0	$0	$60
12	Furnace Fans	3-RES EE HVAC	Res	$0	$0	$2	$30	$32	$12	$0	$13	$2	$0	$5	$0	$0	$0	$0	$40
13	EE Ground Source Heat Pump	3-RES EE HVAC	Res	$0	$0	$7	$120	$127	$101	$0	$12	$10	$0	$5	$0	$0	$0	$0	$681
14	Solar Water Heating	4-Res-EE P	Res	$0	$0	$2	$30	$32	$15	$0	$10	$2	$0	$5	$0	$0	$0	$0	$500
15	HP Water Heater	4-Res-EE P	Res	$0	$0	$2	$30	$32	$15	$0	$10	$2	$0	$5	$0	$0	$0	$0	$300
16	EE Water Heater	4-Res-EE P	Res	$0	$0	$2	$30	$32	$15	$0	$10	$2	$0	$5	$0	$0	$0	$0	$75
18	Pool Pump Reprogramming	1-Res Audits	Res	$0	$0	$8	$96	$102	$95	$0	$1	$1	$2	$3	$0	$0	$0	$0	$80
19	EnergyStarTV	4-Res-EE P	Res	$0	$0	$0	$3	$3	$2	$0	$1	$0	$0	$0	$0	$0	$0	$0	$10
20	CFL Giveaway	4-Res-EE P	Res	$0	$0	$0	$4	$4	$1	$0	$1	$0	$0	$0	$0	$2	$0	$0	$4
22	CFL bulbs regular - 13	4-Res-EE P	Res	$0	$0	$0	$2	$2	$0	$0	$0	$0	$0	$0	$1	$1	$0	$0	$1
23	Clothes Washer Energy Star	4-Res-EE P	Res	$0	$0	$2	$30	$32	$13	$0	$2	$2	$10	$5	$0	$0	$0	$0	$50
24	Dehumidifiers	4-Res-EE P	Res	$0	$0	$2	$30	$32	$13	$0	$2	$2	$10	$5	$0	$0	$0	$0	$10
26	Holiday Lights	4-Res-EE P	Res	$0	$0	$0	$6	$6	$2	$0	$1	$1	$1	$2	$0	$0	$0	$0	$2
28	Variable Speed Pool Pump	4-Res-EE P	Res	$0	$0	$1	$18	$19	$10	$0	$1	$1	$5	$2	$0	$0	$0	$0	$200
29	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	$0	$0	$2	$30	$32	$13	$0	$2	$2	$10	$5	$0	$0	$0	$0	$10
30	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	$0	$0	$2	$30	$32	$13	$0	$2	$2	$10	$5	$0	$0	$0	$0	$10
31	Room Air Conditioners	4-Res-EE P	Res	$0	$0	$1	$12	$13	$10	$0	$0	$1	$0	$2	$0	$0	$0	$0	$25
32	Smart Strip plug outlet	4-Res-EE P	Res	$0	$0	$0	$2	$3	$2	$0	$1	$0	$0	$0	$1	$0	$0	$0	$10
33	Torchiere Floor Lamps	4-Res-EE P	Res	$0	$0	$0	$2	$3	$2	$0	$1	$0	$0	$0	$1	$0	$0	$0	$10
34	CVR RES	CVR RES	Res	$0	$0	$1,463	$24,383	$25,847	$25,102	$0	$25	$20	$0	$0	$0	$700	$0	$0	$0
35	CVR LIRES	CVR LIRES	LI RES	$0	$0	$1,463	$24,383	$25,847	$25,102	$0	$25	$20	$0	$0	$0	$700	$0	$0	$0
36	Behavior Mod	1-Res Audits	Res	$0	$0	$0	$18	$18	$3	$0	$0	$1	$0	$0	$0	$14	$0	$0	$0
37	Solar Windows	1-Res Audits	Res	$0	$0	$2	$30	$32	$28	$0	$0	$4	$5	$0	$0	$0	$0	$0	$200
38	Duct sealing 20 leakage base	1-Res Audits	Res	$0	$0	$2	$30	$32	$30	$0	$0	$2	$0	$0	$0	$0	$0	$0	$200
43	Roof Insulation	1-Res Audits	Res	$0	$0	$2	$30	$32	$28	$0	$0	$4	$0	$0	$0	$0	$0	$0	$200
44	Whole Building - Light Measure (Test-In)	1-Res Audits	Res	$0	$0	$4	$52	$56	$40	$0	$25	$1	$0	$0	$0	$0	$0	$0	$250
45	LIEEP Direct Install Part	LIEEP	LI RES	$0	$0	$12	$202	$214	$214	$0	$0	$0	$0	$0	$0	$0	$0	$0	$845
46	LIEEP FrigSwap	LIEEP	LI RES	$0	$0	$1	$20	$21	$21	$0	$0	$0	$0	$0	$0	$0	$0	$0	$650
47	1-Res Home Audits - CFL 4 - Low Flow 2	LIEEP	LI RES	$0	$0	$1	$10	$10	$4	$0	$0	$1	$0	$0	$0	$5	$0	$0	$86
48	Extra Measures	LIEEP	LI RES	$0	$0	$1	$24	$25	$15	$0	$0	$0	$10	$0	$0	$0	$0	$0	$66
50	JUUMP	JUUMP	LI RES	$0	$0	$11	$177	$188	$188	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1,062
52	Multiple Family - CFL Lighting	LIEEP	LI RES	$0	$0	$1	$12	$13	$5	$0	$0	$0	$0	$0	$0	$7	$0	$0	$20
54	Multiple Family - CFL - Master Metered	2-Governmental Programs	Gov	$0	$0	$1	$12	$13	$5	$0	$0	$0	$0	$0	$0	$7	$0	$0	$20
58	Low Income Lighting-Low Usage	7-Low Income	LI RES	$0	$0	$0	$8	$8	$4	$0	$0	$0	$0	$0	$0	$2	$0	$0	$38
59	Multiple Family - CFL Lighting	1-Res Audits	Res	$0	$0	$1	$12	$13	$5	$0	$0	$0	$0	$0	$0	$7	$0	$0	$20
63	Commercial CFL Program - Kits Mailed	3-C/I Equip	SM C&I	$0	$0	$0	$2	$2	$2	$0	$0	$0	$0	$0	$0	$1	$0	$0	$31
64	CVR_GOV	CVR_GOV	LG C&I	$0	$0	$1,463	$24,383	$25,847	$25,639	$0	$0	$8	$0	$0	$0	$0	$0	$0	$0
65	High Bay HID replaced by 6FS4T5HO	2-Governmental Programs	LG C&I	$0	$0	$0	$6	$6	$4	$0	$0	$0	$0	$2	$0	$0	$0	$0	$111
66	HPT8 4ft 4 lamp, T12 to HPT8	2-Governmental Programs	LG C&I	$0	$0	$0	$6	$6	$4	$0	$0	$0	$0	$2	$0	$0	$0	$0	$22
67	LED Exit Signs (Retrofit Only)	2-Governmental Programs	LG C&I	$0	$0	$0	$8	$8	$4	$0	$0	$0	$0	$2	$0	$0	$0	$0	$25
68	WalkThroughAndLighting	2-Governmental Programs	LG C&I	$0	$0	$7	$113	$120	$118	$0	$0	$0	$0	$2	$0	$0	$0	$0	$5,232
69	LED Auto Traffic Signals	2-Governmental Programs	SM C&I	$0	$0	$0	$6	$6	$4	$0	$0	$0	$0	$2	$0	$0	$0	$0	$50
70	LED Pedestrian Signals	2-Governmental Programs	SM C&I	$0	$0	$0	$6	$6	$4	$0	$0	$0	$0	$2	$0	$0	$0	$0	$50
71	Street Lighting - Weighted Average All	2-Governmental Programs	Gov	$0	$0	$1	$18	$19	$19	$0	$0	$0	$0	$0	$0	$0	$0	$0	$31
72	Gov CFL Program - Kits Mailed to Gov	2-Governmental Programs	LG C&I	$0	$0	$0	$2	$2	$1	$0	$1	$1	$0	$0	$0	$0	$0	$0	$50
73	Custom Incentives Gov	2-Governmental Programs	LG C&I	$0	$0	$204	$3,396	$3,600	$3,573	$0	$0	$25	$0	$2	$0	$0	$0	$0	$6,000
74	AC <65,000 1 Ph	3-C/I Equip	SM C&I	$0	$0	$2	$30	$32	$12	$0	$3	$2	$10	$5	$0	$0	$0	$0	$178
75	AC 65,000 - 135,000	3-C/I Equip	SM C&I	$0	$0	$4	$60	$64	$28	$0	$5	$3	$25	$5	$0	$0	$0	$0	$231
76	AC 240,000 - 760,000	3-C/I Equip	SM C&I	$0	$0	$4	$60	$64	$26	$0	$5	$3	$25	$5	$0	$0	$0	$0	$826
77	Clothes Washer	3-C/I Equip	SM C&I	$0	$0	$2	$30	$32	$12	$0	$3	$2	$10	$5	$0	$0	$0	$0	$50
78	AntiSweatHeater Controller for Cooler	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$47	$0	$1	$1	$0	$2	$0	$0	$0	$0	$542
79	AntiSweatHeater Controller for Freezers	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$47	$0	$1	$1	$0	$2	$0	$0	$0	$0	$487
80	ES Comm Solid Door Freezers < 20CF	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$22	$0	$2	$2	$20	$5	$0	$0	$0	$0	$130
81	ES Comm Solid Door Freezers 20 - 48CF	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$22	$0	$2	$2	$20	$5	$0	$0	$0	$0	$208
82	ES Comm Solid Door Refrigerators < 20C	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$22	$0	$2	$2	$20	$5	$0	$0	$0	$0	$64
83	ES Comm Solid Door Refrigerators 20 -48	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$22	$0	$2	$2	$20	$5	$0	$0	$0	$0	$128
84	ES Ice Machines less than 500 lbs	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$22	$0	$2	$2	$20	$5	$0	$0	$0	$0	$50
85	ES Ice Machines 500 to 1000 lbs	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$22	$0	$2	$2	$20	$5	$0	$0	$0	$0	$150
86	ES Ice Machines more than 1000 lbs	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$22	$0	$2	$2	$20	$5	$0	$0	$0	$0	$200
87	ES Steam Cookers 3 Pan	3-C/I Equip	SM C&I	$0	$0	$3	$48	$51	$22	$0	$2	$2	$20	$5	$0	$0	$0	$0	$400
88	High Bay HID replaced by 6FS4T5HO	3-C/I Equip	SM C&I	$0	$0	$0	$6	$6	$4	$0	$1	$0	$0	$2	$0	$0	$0	$0	$111
89	EE Water Heater	3-C/I Equip	SM C&I	$0	$0	$2	$30	$32	$22	$0	$2	$2	$1	$5	$0	$0	$0	$0	$75
91	HPT8 4ft 4 lamp, T12 to HPT8	3-C/I Equip	SM C&I	$0	$0	$1	$8	$8	$2	$0	$1	$0	$0	$6	$0	$0	$0	$0	$22
92	LED Exit Signs (Retrofit Only)	3-C/I Equip	SM C&I	$0	$0	$1	$8	$8	$6	$0	$0	$0	$0	$2	$0	$0	$0	$0	$25
93	Occupancy Sensors under 500 W	3-C/I Equip	SM C&I	$0	$0	$1	$14	$15	$13	$0	$0	$0	$0	$2	$0	$0	$0	$0	$48
94	Strip Mall Low Cost Of Suite	3-C/I Equip	SM C&I	$0	$0	$7	$113	$120	$118	$0	$0	$0	$0	$2	$0	$0	$0	$0	$1,682
95	Commercial Smart Strip plug outlet	3-C/I Equip	SM C&I	$0	$0	$0	$2	$3	$2	$0	$0	$0	$0	$0	$1	$0	$0	$0	$10
96	Pre Rinse Sprayers	3-C/I Equip	SM C&I	$0	$0	$0	$2	$3	$2	$0	$0	$0	$0	$0	$1	$0	$0	$0	$25
97	Refrigerant charging correction	3-C/I Equip	SM C&I	$0	$0	$1	$12	$13	$6	$0	$1	$1	$0	$5	$0	$0	$0	$0	$75
98	Evap Fan Motor	3-C/I Equip	SM C&I	$0	$0	$1	$8	$9	$2	$0	$1	$1	$0	$5	$0	$0	$0	$0	$25
99	Strip curtains for walk-ins - freezer	3-C/I Equip	SM C&I	$0	$0	$1	$12	$13	$6	$0	$1	$1	$0	$5	$0	$0	$0	$0	$50

100	Vending Equipment Controller	3-C/I Equip	SM C&I	$0	$0	$1	$18	$18	$7	$0	$1	$1	$5	$9	$0	$0	$0	$0	$0	$125
101	Custom Incentives Small	3-C/I Equip	SM C&I	$0	$0	$216	$3,600	$3,816	$1,784	$0	$25	$25	$0	$2,002	$0	$0	$0	$0	$0	$8,000
102	Master Metered Multi-Family CFL Kits	8-Multiple Family	SM C&I	$0	$0	$1	$12	$13	$5	$0	$0	$0	$0	$0	$0	$7	$0	$0	$0	$20
104	High Bay HID replaced by 6FS4TSH0	4-C/I Equip	LG C&I	$0	$0	$0	$6	$6	$4	$0	$1	$0	$0	$2	$0	$0	$0	$0	$0	$46
105	HPT8 4ft 4 lamp, T12 to HPT8	4-C/I Equip	LG C&I	$0	$0	$1	$8	$9	$6	$0	$0	$0	$0	$3	$0	$0	$0	$0	$0	$8
106	Occupancy Sensors under 500 W	4-C/I Equip	LG C&I	$0	$0	$0	$6	$6	$4	$0	$0	$0	$0	$2	$0	$0	$0	$0	$0	$20
109	Custom Incentives Large	4-C/I Equip	LG C&I	$0	$0	$204	$3,396	$3,600	$823	$0	$25	$2,500	$0	$252	$0	$0	$0	$0	$0	$8,000
110	CRDR-100	CRDR	LG C&I	$198,902	$0	$4	$61	$65	$52	$198,902	$1	$12	$0	$0	$0	$0	$0	$0	$0	$456
111	CRDR-50	CRDR	LG C&I	$149,177	$0	$11	$175	$186	$149	$149,177	$2	$34	$0	$0	$0	$0	$0	$0	$0	$800
112	Distributed Generation	DG	LG C&I	$123,892	$0	$12	$202	$214	$209	$123,892	$0	$0	$3	$2	$0	$0	$0	$0	$0	$438
113	Customer Load Response	CLR	LG C&I	$317,152	$0	$36	$600	$636	$570	$0	$9	$57	$0	$0	$0	$0	$0	$0	$0	$432
114	CRDR-Vol	CRDR	LG C&I	$149,177	$0	$12	$193	$205	$164	$149,177	$3	$38	$0	$0	$0	$0	$0	$0	$0	$150
115	Time-Of-Use	TOU	SM C&I	$233,316	$0	$4	$66	$70	$65	$233,316	$0	$0	$3	$2	$0	$0	$0	$0	$0	$30
116	CVR_SCI	CVR_SCI	SM C&I	$0	$0	$1,463	$24,383	$25,847	$25,842	$0	$0	$0	$3	$2	$0	$0	$0	$0	$0	$0
117	CVR_LCI	CVR_LCI	LG C&I	$0	$0	$1,463	$24,383	$25,847	$25,842	$0	$0	$0	$3	$2	$0	$0	$0	$0	$0	$30
118	Water Pumps with VFD's	3-C/I Equip	SM C&I	$0	$0	$2	$39	$41	$38	$0	$0	$0	$3	$2	$0	$0	$0	$0	$0	$30
119	HVAC Fans with VFD's	3-C/I Equip	SM C&I	$0	$0	$2	$37	$41	$38	$0	$0	$0	$3	$2	$0	$0	$0	$0	$0	$30
120	Air Compressors with VFD's	3-C/I Equip	SM C&I	$0	$0	$2	$39	$41	$38	$0	$0	$0	$3	$2	$0	$0	$0	$0	$0	$30
121	Water Pumps with VFD's	3-C/I Equip	SM C&I	$0	$0	$9	$156	$165	$152	$0	$0	$1	$10	$2	$0	$0	$0	$0	$0	$150
122	HVAC Fans with VFD's	3-C/I Equip	SM C&I	$0	$0	$9	$156	$165	$152	$0	$0	$1	$10	$2	$0	$0	$0	$0	$0	$150
123	Air Compressors with VFD's	3-C/I Equip	SM C&I	$0	$0	$9	$156	$165	$152	$0	$0	$1	$10	$2	$0	$0	$0	$0	$0	$150
124	Water Pumps with VFD's	4-C/I Equip	LG C&I	$0	$0	$14	$234	$248	$229	$0	$0	$1	$20	$2	$0	$0	$0	$0	$0	$300
125	HVAC Fans with VFD's	4-C/I Equip	LG C&I	$0	$0	$14	$234	$248	$229	$0	$0	$1	$20	$2	$0	$0	$0	$0	$0	$300
126	Air Compressors with VFD's	4-C/I Equip	LG C&I	$0	$0	$14	$234	$248	$229	$0	$0	$1	$20	$2	$0	$0	$0	$0	$0	$300

Appendix D-6

per Program Budget Detail

WPP Budget Summary

Four Year Program Budget	Program Code* Total Budget	Program Year 1 Fall 2009 Until-5/2010 4-Res-EE P	Program Year 2 From 6/2010 Until-5/2011 4-Res-EE P	Program Year 3 From 6/2011 Until-5/2012 4-Res-EE P	Program Year 4 From 6/2012 Until-5/2013 4-Res-EE P
Total	**$94,249,992**	**$6,251,762**	**$12,226,512**	**$42,264,510**	**$33,507,208**
Utility Labor/Cost***	$18,985,800	$3,481,862	$1,678,723	$7,213,901	$6,611,314
Marketing***	$6,185,328	$1,239,692	$2,244,579	$2,376,649	$324,408
M&V***	$2,521,450	$138,060	$829,956	$906,238	$647,196
Retailer Sales Incentive	$174,390	$0	$0	$61,483	$112,906
Rebate Processing	$758,696	$0	$0	$289,277	$469,419
Retail Store Discount Tracking	$595,294	$0	$0	$223,231	$372,063
Service Provider Costs***	$7,986,602	$1,256,755	$1,526,172	$3,490,764	$1,712,910
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$57,042,432	$135,393	$5,947,082	$27,702,966	$23,256,991
Utility/SP O&M	$0	$0	$0	$0	$0

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** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

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Residential Home Performance Program

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	4-Res-EE P	4-Res-EE P	4-Res-EE P	4-Res-EE P
	Total Budget				
Total	**$16,331,872**	**$710,534**	**$700,088**	**$10,223,225**	**$4,698,025**
Utility Labor/Cost***	$1,588,783	$157,579	$86,016	$651,454	$693,734
Marketing***	$2,166,955	$401,600	$320,196	$1,335,416	$109,743
M&V***	$350,453	$21,472	$67,316	$137,812	$123,853
Retailer Sales Incentive	$130	$0	$0	$43	$87
Rebate Processing	$195	$0	$0	$65	$130
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$3,373,953	$92,582	$113,500	$1,774,871	$1,393,000
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$8,851,402	$37,301	$113,060	$6,323,564	$2,377,477
Utility/SP O&M	$0	$0	$0	$0	$0

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Residential Appliance Turn-In Program

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	4-Res-EE P	4-Res-EE P	4-Res-EE P	4-Res-EE P
	Total Budget				
Total	**$3,145,231**	**$218,734**	**$894,278**	**$1,093,307**	**$938,913**
Utility Labor/Cost***	$479,830	$56,572	$42,651	$148,289	$232,318
Marketing***	$743,463	$104,493	$450,126	$171,267	$17,577
M&V***	$125,967	$12,585	$49,413	$35,511	$28,458
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$943,170	$40,324	$152,511	$466,424	$283,910
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$852,803	$4,760	$199,577	$271,816	$376,650
Utility/SP O&M	$0	$0	$0	$0	$0

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Residential Energy Efficient HVAC Program

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	4-Res-EE P	4-Res-EE P	4-Res-EE P	4-Res-EE P
	Total Budget				
Total	**$2,196,347**	**$265,547**	**$687,766**	**$503,917**	**$739,118**
Utility Labor/Cost***	$367,278	$151,875	$78,482	$78,019	$58,902
Marketing***	$226,938	$6,108	$154,285	$53,054	$13,491
M&V***	$95,465	$14,788	$54,916	$18,337	$7,424
Retailer Sales Incentive	$92,304	$0	$0	$30,768	$61,536
Rebate Processing	$19,553	$0	$0	$5,660	$13,893
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$137,649	$92,776	$42,210	$2,663	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$1,257,160	$0	$357,873	$315,416	$583,872
Utility/SP O&M	$0	$0	$0	$0	$0

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Residential Energy Efficient Products Program

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	4-Res-EE P	4-Res-EE P	4-Res-EE P	4-Res-EE P
	Total Budget				
Total	**$11,783,667**	**$798,056**	**$3,505,375**	**$4,575,503**	**$2,904,733**
Utility Labor/Cost***	$2,738,026	$281,327	$187,438	$1,018,219	$1,251,042
Marketing***	$2,108,271	$304,330	$1,252,216	$513,618	$38,107
M&V***	$370,575	$34,217	$174,576	$146,352	$15,430
Retailer Sales Incentive	$64,580	$0	$0	$24,913	$39,667
Rebate Processing	$59,178	$0	$0	$22,352	$36,825
Retail Store Discount Tracking	$595,275	$0	$0	$223,225	$372,050
Service Provider Costs***	$1,117,021	$158,807	$444,395	$513,819	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$4,730,742	$19,375	$1,446,750	$2,113,006	$1,151,612
Utility/SP O&M	$0	$0	$0	$0	$0

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*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

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Critical Peak Rebate (CPR) Rate - Residential

Four Year Program Budget	Program Code* Total Budget	Program Year 1 Fall 2009 Until-5/2010 2-RES App Turn-In	Program Year 2 From 6/2010 Until-5/2011 2-RES App Turn-In	Program Year 3 From 6/2011 Until-5/2012 2-RES App Turn-In	Program Year 4 From 6/2012 Until-5/2013 2-RES App Turn-In
Total	**$1,513,922**	**$0**	**$451,284**	**$423,529**	**$639,110**
Utility Labor/Cost***	$731,350	$0	$451,284	$111,624	$168,442
Marketing***	$72,525	$0	$0	$28,906	$43,619
M&V***	$99,217	$0	$0	$39,544	$59,673
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$0	$0	$0	$0	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$610,830	$0	$0	$243,454	$367,375
Utility/SP O&M	$0	$0	$0	$0	$0

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** *Variable based on number of units of participation each year.*

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Conservation Voltage Reduction (CVR) Program

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	5-IND MOTOR	5-IND MOTOR	5-IND MOTOR	5-IND MOTOR
	Total Budget				
Total	**$2,000,520**	**$0**	**$0**	**$2,000,520**	**$0**
Utility Labor/Cost***	$1,970,341	$0	$0	$1,970,341	$0
Marketing***	$1,013	$0	$0	$1,013	$0
M&V***	$29,166	$0	$0	$29,166	$0
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$0	$0	$0	$0	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$0	$0	$0	$0	$0
Utility/SP O&M	$0	$0	$0	$0	$0

* This code links this budget to the model input tables in file labeled "ME-EC_Plan_Appendices-WCharts-Budget"

** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

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Limited-Income Energy Efficiency Program (LIEEP)

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	4-Res-EE P	4-Res-EE P	4-Res-EE P	4-Res-EE P
	Total Budget				
Total	**$7,315,076**	**$201,910**	**$2,856,418**	**$2,398,234**	**$1,858,514**
Utility Labor/Cost***	$957,135	$101,511	$150,494	$387,647	$317,483
Marketing***	$29,320	$7,911	$2,909	$18,500	$0
M&V***	$75,943	$12,014	$23,715	$25,889	$14,325
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$446,868	$57,674	$285,852	$89,342	$14,000
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$5,805,810	$22,800	$2,393,448	$1,876,856	$1,512,706
Utility/SP O&M	$0	$0	$0	$0	$0

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Joint Utility Usage Management Program (JUUMP)

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	4-Res-EE P	4-Res-EE P	4-Res-EE P	4-Res-EE P
	Total Budget				
Total	**$4,558,515**	**$70,135**	**$383,777**	**$2,523,654**	**$1,580,949**
Utility Labor/Cost***	$668,276	$51,126	$83,040	$300,511	$233,599
Marketing***	$26,625	$3,893	$4,232	$18,500	$0
M&V***	$51,571	$6,979	$26,614	$17,978	$0
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$160,417	$8,137	$97,938	$54,342	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$3,651,626	$0	$171,953	$2,132,323	$1,347,350
Utility/SP O&M	$0	$0	$0	$0	$0

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*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

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C/I Equipment Program - Small

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	4-Res-EE P	4-Res-EE P	4-Res-EE P	4-Res-EE P
	Total Budget				
Total	**$21,333,306**	**$724,766**	**$1,383,535**	**$10,493,318**	**$8,731,688**
Utility Labor/Cost***	$3,323,378	$462,498	$492,798	$1,171,272	$1,196,810
Marketing***	$267,242	$35,412	$32,993	$147,241	$51,596
M&V***	$435,153	$17,251	$226,461	$162,701	$28,741
Retailer Sales Incentive	$17,316	$0	$0	$5,760	$11,557
Rebate Processing	$326,068	$0	$0	$127,952	$198,116
Retail Store Discount Tracking	$19	$0	$0	$6	$13
Service Provider Costs***	$855,037	$209,605	$141,592	$485,340	$18,500
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$16,109,093	$0	$489,691	$8,393,047	$7,226,356
Utility/SP O&M	$0	$0	$0	$0	$0

* This code links this budget to the model input tables in file labeled "ME-EC_Plan_Appendices-WCharts-Budget"

** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

These budget figures are consistent with those filed with the Pennsylvania PSC under the FirstEnergy EECP. Actual budgets will vary due to vendor contractual agreements and customer participation levels, among other factors out of the utility's control.

Time of Use (TOU) with Critical Peak Pricing (CPP) Rate

Four Year Program Budget	Program Code* Total Budget	Program Year 1 Fall 2009 Until-5/2010 Demand	Program Year 2 From 6/2010 Until-5/2011 Demand	Program Year 3 From 6/2011 Until-5/2012 Demand	Program Year 4 From 6/2012 Until-5/2013 Demand
Total	**$895,050**	**$0**	**$233,316**	**$248,150**	**$413,584**
Utility Labor/Cost***	$429,784	$0	$0	$161,169	$268,615
Marketing***	$234,632	$0	$233,316	$493	$822
M&V***	$30,921	$0	$0	$11,596	$19,326
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$0	$0	$0	$0	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$199,713	$0	$0	$74,892	$124,821
Utility/SP O&M	$0	$0	$0	$0	$0

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** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

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C/I Equipment Program - Large

Four Year Program Budget	Program Code* Total Budget	Program Year 1 Fall 2009 Until-5/2010 4-Res-EE P	Program Year 2 From 6/2010 Until-5/2011 4-Res-EE P	Program Year 3 From 6/2011 Until-5/2012 4-Res-EE P	Program Year 4 From 6/2012 Until-5/2013 4-Res-EE P
Total	**$9,184,429**	**$1,314,126**	**$1,025,674**	**$3,912,739**	**$2,931,890**
Utility Labor/Cost***	$2,103,329	$777,193	$329,464	$451,202	$545,470
Marketing***	$87,265	$12,773	$15,994	$28,997	$29,501
M&V***	$399,999	$1,602	$37,633	$213,760	$147,004
Retailer Sales Incentive	$60	$0	$0	$0	$60
Rebate Processing	$281,606	$0	$0	$105,500	$176,106
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$801,071	$522,558	$202,958	$75,555	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$5,511,100	$0	$439,625	$3,037,725	$2,033,750
Utility/SP O&M	$0	$0	$0	$0	$0

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** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

These budget figures are consistent with those filed with the Pennsylvania PSC under the FirstEnergy EECP. Actual budgets will vary due to vendor contractual agreements and customer participation levels, among other factors out of the utility's control.

Customer Load Response Program

Four Year Program Budget	Program Code* Total Budget	Program Year 1 Fall 2009 Until-5/2010 1-C/I Audits	Program Year 2 From 6/2010 Until-5/2011 1-C/I Audits	Program Year 3 From 6/2011 Until-5/2012 1-C/I Audits	Program Year 4 From 6/2012 Until-5/2013 1-C/I Audits
Total	**$1,811,548**	**$0**	**$317,152**	**$426,970**	**$1,067,426**
Utility Labor/Cost***	$1,114,761	$0	$317,152	$227,888	$569,721
Marketing***	$12,070	$0	$0	$3,449	$8,621
M&V***	$80,317	$0	$0	$22,948	$57,369
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$0	$0	$0	$0	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$604,400	$0	$0	$172,686	$431,714
Utility/SP O&M	$0	$0	$0	$0	$0

* This code links this budget to the model input tables in file labeled "ME-EC_Plan_Appendices-WCharts-Budget"

** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

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Distributed Generation Program

Four Year Program Budget	Program Code* Total Budget	Program Year 1 Fall 2009 Until-5/2010 3-C I Equip	Program Year 2 From 6/2010 Until-5/2011 3-C I Equip	Program Year 3 From 6/2011 Until-5/2012 3-C I Equip	Program Year 4 From 6/2012 Until-5/2013 3-C I Equip
Total	**$808,477**	**$0**	**$123,892**	**$228,195**	**$456,390**
Utility Labor/Cost***	$219,890	$0	$0	$73,297	$146,593
Marketing***	$124,102	$0	$123,892	$70	$140
M&V***	$4,935	$0	$0	$1,645	$3,290
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$0	$0	$0	$0	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$459,550	$0	$0	$153,183	$306,367
Utility/SP O&M	$0	$0	$0	$0	$0

* This code links this budget to the model input tables in file labeled "ME-EC_Plan_Appendices-WCharts-Budget"

** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

These budget figures are consistent with those filed with the Pennsylvania PSC under the FirstEnergy EECP. Actual budgets will vary due to vendor contractual agreements and customer participation levels, among other factors out of the utility's control.

Customer Resources Demand Response Program

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	2-Governmental Programs	2-Governmental Programs	2-Governmental Programs	2-Governmental Programs
	Total Budget				
Total	**$4,164,667**	**$0**	**$497,255**	**$104,180**	**$3,563,232**
Utility Labor/Cost***	$1,070,532	$0	$497,255	$10,423	$562,854
Marketing***	$8,851	$0	$0	$161	$8,690
M&V***	$132,308	$0	$0	$2,406	$129,902
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$0	$0	$0	$0	$0
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$0	$0	$0	$0	$0
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$2,952,976	$0	$0	$91,190	$2,861,786
Utility/SP O&M	$0	$0	$0	$0	$0

* This code links this budget to the model input tables in file labeled "ME-EC_Plan_Appendices-WCharts-Budget"

** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

These budget figures are consistent with those filed with the Pennsylvania PSC under the FirstEnergy EECP. Actual budgets will vary due to vendor contractual agreements and customer participation levels, among other factors out of the utility's control.

Governmental and Institutional Program

Four Year Program Budget		Program Year 1	Program Year 2	Program Year 3	Program Year 4
		Fall 2009	From 6/2010	From 6/2011	From 6/2012
		Until-5/2010	Until-5/2011	Until-5/2012	Until-5/2013
	Program Code*	4-Res-EE P	4-Res-EE P	4-Res-EE P	4-Res-EE P
	Total Budget				
Total	**$7,207,363**	**$325,055**	**$789,601**	**$3,109,070**	**$2,983,636**
Utility Labor/Cost***	$1,223,106	$176,490	$228,340	$452,546	$365,730
Marketing***	$76,057	$5,964	$11,628	$55,965	$2,500
M&V***	$239,460	$17,152	$169,312	$40,595	$12,401
Retailer Sales Incentive	$0	$0	$0	$0	$0
Rebate Processing	$72,096	$0	$0	$27,748	$44,348
Retail Store Discount Tracking	$0	$0	$0	$0	$0
Service Provider Costs***	$151,416	$74,292	$45,216	$28,408	$3,500
Service Provide Equip/Audit	$0	$0	$0	$0	$0
Incentive Shipping & Other**	$0	$0	$0	$0	$0
Incentive Rebate for Equip**	$5,445,227	$51,157	$335,105	$2,503,808	$2,555,157
Utility/SP O&M	$0	$0	$0	$0	$0

* This code links this budget to the model input tables in file labeled "ME-EC_Plan_Appendices-WCharts-Budget"

** *Variable based on number of units of participation each year.*

*** *Budget line items reflect the results of measure based modeling for the EE Plan filing. Actual program expenditures*

These budget figures are consistent with those filed with the Pennsylvania PSC under the FirstEnergy EECP. Actual budgets will vary due to vendor contractual agreements and customer participation levels, among other factors out of the utility's control.

Appendix E

Measure savings for programs included, including key assumptions

Period Nov 2011 to May 2013

Measure #	Measure Name	Program Name	Customer Class	kWh Savings	kW Savings	Life	Source of Saving Values and Life
1	CPR	CPR	Res	37	0.367	1	See WPP Docs
4	1-Res Home Audits - CFL 4 - Low Flow 2	1-Res Audits	Res	592	0.048	6	Sum of Other Measures Listed
5	Targeted Audit - Space Heat	1-Res Audits	Res	1,176	0.051	6	TRM: Mix of prescriptive measues
7	Refrigerator/Freezer recycling	2-RES App Turn-In	Res	1,359	0.172	8	TRM
8	Room Air Conditioners	2-RES App Turn-In	Res	120	0.273	4	TRM
9	ASHP - SEER 15	3-RES EE HVAC	Res	1,948	0.263	12	TRM
10	CAC - SEER 15	3-RES EE HVAC	Res	258	0.280	14	TRM
11	CAC - Maintenance	3-RES EE HVAC	Res	249	0.273	7	TRM
12	Furnace Fans	3-RES EE HVAC	Res	345	0.000	15	TRM
13	EE Ground Source Heat Pump	3-RES EE HVAC	Res	4,597	0.100	15	TRM
14	Solar Water Heating	4-Res-EE P	Res	1,880	0.355	15	TRM
15	HP Water Heater	4-Res-EE P	Res	1,799	0.165	14	TRM
16	EE Water Heater	4-Res-EE P	Res	185	0.015	14	TRM
18	Pool Pump Reprogramming	1-Res Audits	Res	0	0.600	10	SCE Work paper adepted to PA
19	EnergyStarTV	4-Res-EE P	Res	96	0.015	15	TRM
20	CFL Giveaway	4-Res-EE P	Res	41	0.002	6	TRM
22	CFL bulbs regular - 13	4-Res-EE P	Res	41	0.002	6	TRM
23	Clothes Washer Energy Star	4-Res-EE P	Res	243	0.014	11	TRM with Electric Heat
24	Dehumidifiers	4-Res-EE P	Res	110	0.009	12	TRM
26	Holiday Lights	4-Res-EE P	Res	10	0.000	10	TRM
28	Variable Speed Pool Pump	4-Res-EE P	Res	1,880	0.584	10	SCE Work paper adepted to PA
29	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	89	0.012	13	TRM
30	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	75	0.012	13	TRM
31	Room Air Conditioners	4-Res-EE P	Res	54	0.056	10	TRM
32	Smart Strip plug outlet	4-Res-EE P	Res	173	0.012	5	TRM
33	Torchiere Floor Lamps	4-Res-EE P	Res	99	0.005	10	TRM
34	CVR_RES	CVR_RES	Res	592,506	67.638	10	See WPP Docs
35	CVR_LIRES	CVR_LIRES	LI RES	592,506	67.638	10	See WPP Docs
36	Behavior_Mod	1-Res Audits	Res	282	0.021	1	Estimtion based on 2% savings, 15,000 kWh baseline
37	Estar Windows	1-Res Audits	Res	858	0.036	15	ACEEE PA Report
38	Duct sealing 20 leakage base	1-Res Audits	Res	675	0.497	14	PA TRM with 3.5 ton
43	Roof Insulation	1-Res Audits	Res	853	0.085	15	PA TRM
44	Whole Building - Light Measure (Test-In)	1-Res Audits	Res	0	0.027	8	PT TRM + Program design
45	LIEEP Direct Install Part	LIEEP	LI RES	833	0.236	15	08' WARM Program M&V Average Savings Derated 25% to be conservative
46	LIEEP FrigSwap	LIEEP	LI RES	1,133	0.140	8	TRM
47	1-Res Home Audits - CFL 4 - Low Flow 2	LIEEP	LI RES	592	0.048	6	Sum of Other Measures Listed
48	Extra Measures	LIEEP	LI RES	188	0.015	6	Sum of Other Measures Listed
50	JUUMP	JUUMP	LI RES	1,983	0.352	15	FE Comments to PA Draft TRM for PY3,4
52	Multiple Family - CFL Lighting	LIEEP	LI RES	258	0.011	6	TRM
54	Multiple Family - CFL - Master Metered	2-Governmental Programs	Gov	258	0.011	6	TRM
58	Low Income Lighting-Low Usage	7-Low Income	LI RES	418	0.038	6	TRM: 4x13w, 1x16w, 1x23w, 2LED NL, Furnace Whistle, faucet aerator
59	Multiple Family - CFL Lighting	1-Res Audits	Res	258	0.011	8	TRM: 6 CFLs, 2 LED NightLights, LF Showerhead
63	Commercial CFL Program - Kits Mailed	3-C/I Equip	SM C&I	679	0.201	3	PA TRM - average hours and CF
64	CVR_GOV	CVR_GOV	Gov	592,506	67.638	10	See WPP Docs
65	High Bay HID replaced by 6F54T5HO	2-Governmental Programs	Gov	869	0.116	15	TRM
66	HPT8 4ft 4 lamp, T12 to HPT8	2-Governmental Programs	Gov	189	0.032	15	TRM
67	LED Exit Signs (Retrofit Only)	2-Governmental Programs	Gov	239	0.027	10	TRM
68	WalkThroughAndLighting	2-Governmental Programs	Gov	12,385	5.108	15	TRM
69	LED Auto Traffic Signals	2-Governmental Programs	Gov	503	0.057	10	TRM 8"
70	LED Pedestrian Signals	2-Governmental Programs	Gov	869	0.102	10	TRM
71	Street Lighting - Weighted Average All	2-Governmental Programs	Gov	329	0.000	15	=(175-100)*365*12/1000
72	Gov CFL Program - Kits Mailed to Gov	2-Governmental Programs	Gov	679	0.201	3	PA TRM - average hours and CF
73	Custom Incentives Gov	2-Governmental Programs	Gov	94,000	9.400	15	Models FE Program as implemented in units of 100,000 kWh savings

74	AC <65,000 1 Ph	3-C/I Equip	SM C&I	278	0.382	15	TRM
75	AC 65,000 - 135,000	3-C/I Equip	SM C&I	362	0.747	15	TRM
76	AC 240,000 - 760,000	3-C/I Equip	SM C&I	1,294	2.576	15	TRM
77	Clothes Washer	3-C/I Equip	SM C&I	595	0.628	11	TRM
78	AntiSweatHeater Controller for Cooler	3-C/I Equip	SM C&I	4,807	0.130	15	TRM
79	AntiSweatHeater Controller for Freezers	3-C/I Equip	SM C&I	8,847	0.135	15	TRM
80	ES Comm Solid Door Freezers < 20CF	3-C/I Equip	SM C&I	817	0.093	12	TRM
81	ES Comm Solid Door Freezers 20 - 48CF	3-C/I Equip	SM C&I	1,869	0.213	12	TRM
82	ES Comm Solid Door Refrigerators < 20CF	3-C/I Equip	SM C&I	399	0.045	12	TRM
83	ES Comm Solid Door Refrigerators 20 -48 C	3-C/I Equip	SM C&I	788	0.090	12	TRM
84	ES Ice Machines less than 500 lbs	3-C/I Equip	SM C&I	1,553	0.177	12	TRM
85	ES Ice Machines 500 to 1000 lbs	3-C/I Equip	SM C&I	2,533	0.288	12	TRM
86	ES Ice Machines more than 1000 lbs	3-C/I Equip	SM C&I	5,685	0.649	12	TRM
87	ES Steam Cookers 3 Pan	3-C/I Equip	SM C&I	10,517	2.397	12	TRM
88	High Bay HID replaced by 6F54T5HO	3-C/I Equip	SM C&I	869	0.116	15	TRM
89	EE Water Heater	3-C/I Equip	SM C&I	165	0.015	14	TRM
91	HPT8 4ft 4 lamp, T12 to HPT8	3-C/I Equip	SM C&I	169	0.032	15	TRM
92	LED Exit Signs (Retrofit Only)	3-C/I Equip	SM C&I	239	0.027	10	TRM
93	Occupancy Sensors under 500 W	3-C/I Equip	SM C&I	373	0.008	10	DSMore MI Database - Demand downgraded (no demand savings for prescriptive Occ sensor)
94	Strip Mall Low Cost DI Suite	3-C/I Equip	SM C&I	5,456	0.278	10	TRM: Mix of prescriptive measures, some refrogeration improvements from SCE work paper - interim TRM
95	Commercial Smart Strip plug outlet	3-C/I Equip	SM C&I	117	0.009	5	PA TRM
96	Pre Rinse Sprayers	3-C/I Equip	SM C&I	1,312	0.109	5	DSMore MI Database
97	Refrigerant charging correction	3-C/I Equip	SM C&I	670	0.477	10	DSMore MI Database
98	Evap Fan Motor	3-C/I Equip	SM C&I	469	0.054	15	DSMore MI Database
99	Strip curtains for walk-ins - freezer	3-C/I Equip	SM C&I	576	0.068	4	DSMore MI Database
100	Vending Equipment Controller	3-C/I Equip	SM C&I	1,600	0.000	5	PA TRM
101	Custom Incentives Small	3-C/I Equip	SM C&I	94,000	9.400	15	Models FE Program as Implemented
102	MasterMetered MultiFamily CFL Kits	3-C/I Equip	SM C&I	256	0.011	6	TRM: 6 CFLs, 2 LED NightLights, LF Showerhead
104	High Bay HID replaced by 6F54T5HO	4-C/I Equip	LG C&I	869	0.116	15	TRM
105	HPT8 4ft 4 lamp, T12 to HPT8	4-C/I Equip	LG C&I	169	0.032	15	TRM
106	Occupancy Sensors under 500 W	4-C/I Equip	LG C&I	373	0.008	10	DSMore MI Database - Demand downgraded (no demand savings for prescriptive Occ sensor)
109	Custom Incentives Large	4-C/I Equip	LG C&I	94,000	9.400	15	DSMore MI Database
110	CRDR-100	CRDR	LG C&I	940	9.400	1	See WPP Docs
111	CRDR-50	CRDR	LG C&I	940	18.800	1	See WPP Docs
112	Distributed Generation	DG	LG C&I	940	9.400	1	See WPP Docs
113	Customer Load Response	CLR	LG C&I	940	9.400	1	See WPP Docs
114	CRDR-Vol	CRDR	LG C&I	940	9.400	1	See WPP Docs
115	Time-O-Use	TOU	SM C&I	940	1.702	1	See WPP Docs
116	CVR_SCI	CVR_SCI	SM C&I	592,506	67.638	10	See WPP Docs
117	CVR_LCI	CVR_LCI	LG C&I	592,506	67.638	10	See WPP Docs
118	Water Pumps with VFD's	3-C/I Equip	SM C&I	812	0.013	15	TRM
119	HVAC Fans with VFD's	3-C/I Equip	SM C&I	819	0.013	15	TRM
120	Air Compressors with VFD's	3-C/I Equip	SM C&I	815	0.013	15	TRM
121	Water Pumps with VFD's	3-C/I Equip	SM C&I	3,060	0.064	15	TRM
122	HVAC Fans with VFD's	3-C/I Equip	SM C&I	3,093	0.065	15	TRM
123	Air Compressors with VFD's	3-C/I Equip	SM C&I	3,074	0.064	15	TRM
124	Water Pumps with VFD's	4-C/I Equip	LG C&I	6,119	0.128	15	TRM
125	HVAC Fans with VFD's	4-C/I Equip	LG C&I	6,185	0.129	15	TRM
126	Air Compressors with VFD's	4-C/I Equip	LG C&I	6,148	0.129	15	TRM

Appendix F-1A

Per Unit Budgeted Assumption per Measure

Measure Name	Program Name	Customer Class	Number of 2009 Program participants/ Measure Units	Number of 2010 Program participants/ Measure Units	Number of 2011 Program participants/ Measure Units
LI Home Performance Check-Up & Appliance Replacement Program	Low Income Home Performance Check-Up & Appliance Replacement Program	Res - Low Income	243	4,102	2,619
Joint Utility Usage Management Program	Low Income Joint Utility Usage Management Program	Res - Low Income	0	94	48
CFL Overdrive - Opt In	Home Performance Program	Residential	0	0	300,000
CFL Rewards Program	CFL Rewards Program	Residential	260	178,608	102,630
Check-Up Audit	Home Performance Program	Residential	0	0	0
Clothes Dryers	Energy Star Appliance Program	Residential	668	4,980	2,824
Clothes Washers	Energy Star Appliance Program	Residential	1,108	8,618	4,863
Comprehensive Audit	Home Performance Program	Residential	0	0	0
Consumer Efficiency	Home Performance Program	Residential	0	22,704	2,294
Dishwashers	Energy Star Appliance Program	Residential	382	4,214	2,295
Domestic Hot Water Storage	Residential HVAC Efficiency Program	Residential	0	119	158
Freezers Rebate	Energy Star Appliance Program	Residential	5	288	146
Freezers Recycling	Energy Star Appliance Program	Residential	46	491	280
High Efficiency Air Conditioner	Residential HVAC Efficiency Program	Residential	1	1,287	676
High Efficiency Heat Pump	Residential HVAC Efficiency Program	Residential	2	1,094	575
On-Line Audit	Home Performance Program	Residential	3,970	6,650	5,766
Programmable Thermostat	Energy Star Appliance Program	Residential	0	527	264
Refrigerators Rebate	Energy Star Appliance Program	Residential	63	2,614	1,339
Refrigerators Recycling	Energy Star Appliance Program	Residential	204	1,214	706
Residential HVAC Maintenance	Residential HVAC Efficiency Program	Residential	0	222	294
Room Air Conditioner Rebate	Energy Star Appliance Program	Residential	0	1,907	954
Room Air Conditioner Recycling	Energy Star Appliance Program	Residential	31	833	426
CFLs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	184	337	219
LED Exit Signs - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	140	236	154
LED Traffic Signals - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	0	10	5
T8s - Gov	Governmental/Non-Profit Lighting Program	Gov & Non Profit	0	51	25
Commercial CFLs	Commercial Lighting Efficiency Program	C&I - Small	0	6,590	8,763
Commercial HVAC Maintenance	Commercial HVAC Maintenance Program	C&I - Small	0	105	141
Commercial Smart Strips	Commercial Lighting Efficiency Program	C&I - Small	0	110	147
Custom Commercial Program	Custom Commercial Program	C&I - Small	0	14	31
High Efficiency Air Conditioner - Com	Commercial HVAC Maintenance Program	C&I - Small	0	0	0
High Efficiency Heat Pump - Com	Commercial HVAC Maintenance Program	C&I - Small	0	0	0
LED Exit Signs	Commercial Lighting Efficiency Program	C&I - Small	1	21	10
Occupancy Sensors	Commercial Lighting Efficiency Program	C&I - Small	0	96	24
T5s	Commercial Lighting Efficiency Program	C&I - Small	2	104	53
T8s	Commercial Lighting Efficiency Program	C&I - Small	1	177	89
Custom Applications Program	C&I Custom Applications Program	C&I - Large	0	25	97
Variable Frequency Drives Program	C&I Custom Applications Program	C&I - Large	0	0	0

Appendix F-1B

Annual measure participation numbers

Measure #	Measure Name	Program Name	Customer Class	Number of 2009 Program participants/ Measure Units	Number of 2010 Program participants/ Measure Units	Number of 2011 Program participants/ Measure Units	Number of 2012 Program participants/ Measure Units	Participants Assumptions
1	CPR	CPR	Res	0	0	12,485	18,840	Res*Sat*Survey-Reduced by SmartGrid
4	1-Res Home Audits - CFL 4 - Low Flow 2	1-Res Audits	Res	0	0	3,000	5,000	Res*Sat*Survey * 93.2%
5	Targeted Audit - Space Heat	1-Res Audits	Res	0	0	150	300	Res*Sat*Survey
7	Refrigerator/Freezer recycling	2-RES App Turn-In	Res	0	0	4,185	8,370	Res*Sat*Survey * 93.2%
8	Room Air Conditioners	2-RES App Turn-In	Res	0	0	837	1,674	Company Assumption
9	ASHP - SEER 15	3-RES EE HVAC	Res	0	0	285	571	10% of CAC
10	CAC - SEER 15	3-RES EE HVAC	Res	0	0	660	1,320	Res*Sat*Survey - Minus 10%
11	CAC - Maintenance	3-RES EE HVAC	Res	0	0	264	1,320	Res*Sat*Survey
12	Furnace Fans	3-RES EE HVAC	Res	0	0	13	66	Company Assumption
13	EE Ground Source Heat Pump	3-RES EE HVAC	Res	0	0	15	30	Company Assumption
14	Solar Water Heating	4-Res-EE P	Res	0	0	15	30	Company Assumption
15	HP Water Heater	4-Res-EE P	Res	0	0	190	316	Company Assumption
16	EE Water Heater	4-Res-EE P	Res	0	0	1,518	2,530	Res*Sat*Survey
18	Pool Pump Rerprogramming	1-Res Audits	Res	0	0	22	43	Res*Sat*Survey
19	EnergyStarTV	4-Res-EE P	Res	0	0	1,240	2,480	Res*Sat*Survey * 93.2%
20	CFL Giveaway	4-Res-EE P	Res	0	0	30,000	0	Res*Sat*Survey * 93.2%
22	CFL bulbs regular - 13	4-Res-EE P	Res	0	0	446,400	744,000	Res*Sat*Survey * 93.2%
23	Clothes Washer Energy Star	4-Res-EE P	Res	0	0	600	1,000	Company Assumption
24	Dehumidifiers	4-Res-EE P	Res	0	0	800	829	Company Assumption
26	Holiday Lights	4-Res-EE P	Res	0	0	250	500	Res*Sat*Survey
28	Variable Speed Pool Pump	4-Res-EE P	Res	0	0	120	150	Res*Sat*Survey
29	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	0	0	500	1,000	Company Assumption
30	Refrigerators-Freezers Energy Star	4-Res-EE P	Res	0	0	500	1,000	Company Assumption
31	Room Air Conditioners	4-Res-EE P	Res	0	0	500	1,000	Res*Sat*Survey
32	Smart Strip plug outlet	4-Res-EE P	Res	0	0	25	50	(Res*Sat*Survey)*25%
33	Torchiere Floor Lamps	4-Res-EE P	Res	0	0	25	50	Company Assumption
34	CVR_RES	CVR_RES	Res	0	0	32	0	Company Assumption
35	CVR_LIRES	CVR_LIRES	LI RES	0	0	8	0	Company Assumption
36	Behavior_Mod	1-Res Audits	Res	0	0	79,360	99,200	Company Assumption
37	Estar Windows	1-Res Audits	Res	0	0	651	1,302	Company Assumption
38	Duct sealing 20 leakage base	1-Res Audits	Res	0	0	651	1,302	Company Assumption
43	Roof Insulation	1-Res Audits	Res	0	0	651	1,302	Company Assumption
44	Whole Building - Light Measure (Test-In)	1-Res Audits	Res	0	0	2,604	4,340	Company Assumption
45	LIEEP Direct Install Part	LIEEP	LI RES	0	0	1,121	1,245	WARM Forecast * 25%
46	LIEEP FrigSwap	LIEEP	LI RES	0	0	224	249	WARM Forecast * 25% * 1/3
47	1-Res Home Audits - CFL 4 - Low Flow 2	LIEEP	LI RES	0	0	450	750	Res*Sat*Survey * 6.8%
48	Extra Measures	LIEEP	LI RES	0	0	1,121	1,245	Estimate of Activity * 6.8%
50	JUUMP	JUUMP	LI RES	0	0	1,121	1,245	Res*Sat*Survey * 6.8%
52	Multiple Family - CFL Lighting	LIEEP	LI RES	0	0	4,000	1,000	Res*Sat*Survey * 6.8%
54	Multiple Family - CFL - Master Metered	2-Governmental Programs	Gov	0	0	4,000	500	Res*Sat*Survey * 6.8%
58	Low Income Lighting-Low Usage	7-Low Income	LI RES	0	0	3,500	3,500	Low Income - Low Usage Count
59	Multiple Family - CFL Lighting	1-Res Audits	Res	0	0	2,000	600	PAHA Provided
63	Commercial CFL Program - Kits Mailed	3-C/I Equip	SM C&I	0	0	30,000	30,000	Comm*Survey

64	CVR_GOV	CVR_GOV	Gov	0	0	4	0	Company Assumption
65	High Bay HID replaced by 6F54T5HO	2-Governmental Programs	Gov	0	0	6,000	10,000	Base on Fed Sales
66	HPT8 4ft 4 lamp, T12 to HPT8	2-Governmental Programs	Gov	0	0	6,000	10,000	Base on Fed Sales
67	LED Exit Signs (Retrofit Only)	2-Governmental Programs	Gov	0	0	600	800	Base on Fed Sales
68	WalkThroughAndLighting	2-Governmental Programs	Gov	0	0	104	104	Base on Fed Sales
69	LED Auto Traffic Signals	2-Governmental Programs	Gov	0	0	600	600	Intersection Estimate
70	LED Pedestrian Signals	2-Governmental Programs	Gov	0	0	500	600	Intersection Estimate
71	Street Lighting - Weighted Average All	2-Governmental Programs	Gov	0	0	200	400	Street Light Count
72	Gov CFL Program - Kits Mailed to Gov	2-Governmental Programs	Gov	0	0	5,000	5,000	Fed Large User Counts
73	Custom Incentives Gov	2-Governmental Programs	Gov	0	0	70	70	Fed Large User Counts
74	AC <65,000 1 Ph	3-C/I Equip	SM C&I	0	0	48	96	Company Assumption
75	AC 65,000 - 135,000	3-C/I Equip	SM C&I	0	0	48	95	Company Assumption
76	AC 240,000 - 760,000	3-C/I Equip	SM C&I	0	0	48	95	Company Assumption
77	Clothes Washer	3-C/I Equip	SM C&I	0	0	100	200	Company Assumption
78	AntiSweatHeater Controller for Cooler	3-C/I Equip	SM C&I	0	0	90	180	Company Assumption
79	AntiSweatHeater Controller for Freezers	3-C/I Equip	SM C&I	0	0	90	180	Company Assumption
80	ES Comm Solid Door Freezers < 20CF	3-C/I Equip	SM C&I	0	0	2	4	Company Assumption
81	ES Comm Solid Door Freezers 20 - 48CF	3-C/I Equip	SM C&I	0	0	2	4	Company Assumption
82	ES Comm Solid Door Refrigerators < 20CF	3-C/I Equip	SM C&I	0	0	2	4	Company Assumption
83	ES Comm Solid Door Refrigerators 20 -48 C	3-C/I Equip	SM C&I	0	0	2	4	Company Assumption
84	ES Ice Machines less than 500 lbs	3-C/I Equip	SM C&I	0	0	25	50	Company Assumption
85	ES Ice Machines 500 to 1000 lbs	3-C/I Equip	SM C&I	0	0	5	10	Company Assumption
86	ES Ice Machines more than 1000 lbs	3-C/I Equip	SM C&I	0	0	2	4	Company Assumption
87	ES Steam Cookers 3 Pan	3-C/I Equip	SM C&I	0	0	2	4	Company Assumption
88	High Bay HID replaced by 6F54T5HO	3-C/I Equip	SM C&I	0	0	4,800	8,000	Comm*Survey
89	EE Water Heater	3-C/I Equip	SM C&I	0	0	63	126	Comm*Survey Minus 10%
91	HPT8 4ft 4 lamp, T12 to HPT8	3-C/I Equip	SM C&I	0	0	48,000	80,000	Comm*Survey*Square Foot Estimate
92	LED Exit Signs (Retrofit Only)	3-C/I Equip	SM C&I	0	0	5,000	5,000	Comm*Survey
93	Occupancy Sensors under 500 W	3-C/I Equip	SM C&I	0	0	300	600	Comm*Survey
94	Strip Mall Low Cost DI Suite	3-C/I Equip	SM C&I	0	0	1,000	1,500	Comm*Survey
95	Commercial Smart Strip plug outlet	3-C/I Equip	SM C&I	0	0	5	10	Comm*Survey
96	Pre Rinse Sprayers	3-C/I Equip	SM C&I	0	0	8	15	Company Assumption
97	Refrigerant charging correction	3-C/I Equip	SM C&I	0	0	1,000	0	Comm*Survey
98	Evap Fan Motor	3-C/I Equip	SM C&I	0	0	200	200	Company Assumption
99	Strip curtains for walk-ins - freezer	3-C/I Equip	SM C&I	0	0	100	100	Company Assumption
100	Vending Equipment Controller	3-C/I Equip	SM C&I	0	0	200	400	Company Assumption
101	Custom Incentives Small	3-C/I Equip	SM C&I	0	0	75	100	Company Assumption
102	MasterMetered MultiFamily CFL Kits	3-C/I Equip	SM C&I	0	0	4,000	500	Company Assumption
104	High Bay HID replaced by 6F54T5HO	4-C/I Equip	LG C&I	0	0	15,000	25,000	Comm*Survey
105	HPT8 4ft 4 lamp, T12 to HPT8	4-C/I Equip	LG C&I	0	0	37,200	62,000	Comm*Survey*Square Foot Estimate
106	Occupancy Sensors under 500 W	4-C/I Equip	LG C&I	0	0	500	1,000	Comm*Survey
109	Custom Incentives Large	4-C/I Equip	LG C&I	0	0	50	50	Company Assumption
110	CRDR-100	CRDR	LG C&I	0	0	200	4,500	Using NJ Experience for Motor Program
111	CRDR-50	CRDR	LG C&I	0	0	0	1,100	Using NJ Experience for Motor Program
112	Distributed Generation	DG	LG C&I	0	0	350	700	Using NJ Experience for Motor Program
113	Customer Load Response	CLR	LG C&I	0	0	400	1,000	
114	CRDR-Vol	CRDR	LG C&I	0	0	0	1,000	Using NJ Experience for Motor Program
115	Time-O-Use	TOU	SM C&I	0	0	2,467	4,112	Using NJ Experience for Motor Program
116	CVR_SCI	CVR_SCI	SM C&I	0	0	22	0	Using NJ Experience for Motor Program

117	CVR_LCI	CVR_LCI	LG C&I	0	0	11	0	Using NJ Experience for Motor Program
118	Water Pumps with VFD's	3-C/I Equip	SM C&I	0	0	0	1	Using NJ Experience for Motor Program
119	HVAC Fans with VFD's	3-C/I Equip	SM C&I	0	0	0	1	Using NJ Experience for Motor Program
120	Air Compressors with VFD's	3-C/I Equip	SM C&I	0	0	0	1	Using NJ Experience for Motor Program
121	Water Pumps with VFD's	3-C/I Equip	SM C&I	0	0	0	1	Using NJ Experience for Motor Program
122	HVAC Fans with VFD's	3-C/I Equip	SM C&I	0	0	0	1	Using NJ Experience for Motor Program
123	Air Compressors with VFD's	3-C/I Equip	SM C&I	0	0	0	1	Using NJ Experience for Motor Program
124	Water Pumps with VFD's	4-C/I Equip	LG C&I	0	0	0	1	Using NJ Experience for Motor Program
125	HVAC Fans with VFD's	4-C/I Equip	LG C&I	0	0	0	1	Using NJ Experience for Motor Program
126	Air Compressors with VFD's	4-C/I Equip	LG C&I	0	0	0	1	Using NJ Experience for Motor Program

Appendix G

PUC Appendix Tables 1-7

Table 1: Portfolio Summary of Lifetime Costs and Benefits

Portfolio Summary of Lifetime Costs and Benefits					
Portfolio	Discount Rate	Total Discounted Lifetime Costs ($000)	Total Discounted Lifetime Benefits ($000)	Total Discounted Net Lifetime Benefits ($000)	Cost-Benefit Ratio
Residential (exclusive of Low-Income)	9.03%	42,153	110,235	68,082	2.62
Residential Low- Income	9.03%	12,708	13,544	835	1.07
Commercial/ Industrial Small	9.03%	31,916	76,164	44,248	2.39
Commercial/ Industrial Large	9.03%	31,849	59,548	27,698	1.87
Governmental/ Non-Profit	9.03%	12,370	30,709	18,339	2.48
Total	9.03%	130,996	290,200	159,203	2.22

Table 2: Summary of Portfolio Energy and Demand Savings

Summary of Portfolio Energy and Demand Savings								
	Program Year 1		Program Year 2		Program Year 3		Program Year 4	
MWh Saved for Consumption Reductions kW Saved for Peak Load Reductions	MWh Saved	kW Saved	MWh Saved	kW Saved	MWh Saved	kW Saved	MWh Saved	kW Saved
Baseline[1]	20,938,650	3,496,000	20,938,650	3,496,000	20,938,650	3,496,000	20,938,650	3,496,000
Residential Sector *(exclusive of Low- Income)* - Cumulative Projected Portfolio Savings[2]	1,851	256	47,833	5,335	223,328	25,427	283,020	31,459
Residential Low-Income Sector - Cumulative Projected Portfolio Savings[2]	844	20	6,147	1,093	20,659	3,230	26,834	4,197
Commercial/Industrial Small Sector - Cumulative Projected Portfolio Savings[2]	188	29	15,595	2,973	94,643	24,227	158,624	35,494
Commercial/Industrial Large Sector - Cumulative Net Weather Adjusted Savings[2]	0	0	7,448	1,279	67,553	98,686	111,758	104,053
Governmental/Non-Profit Sector - Cumulative Projected Portfolio Savings[2]	3,023	676	15,276	4,200	44,674	9,897	51,857	8,657
EE&C Plan Total - Cumulative Projected Savings	5,906	981	92,299	14,879	450,857	161,466	632,092	183,860
Percent Reduction From Baseline (MWh)	N/A	N/A	0.4%	0.0%	1.0%	3.7%	1.9%	4.5%
Commission Identified Goal			209,387				628,160	157,320
Percent Savings Due to Portfolio Above or Below Commission Goal			44.1%				100.6%	102.6%

[1] Commission approved Consumption Forecast and Peak Demand Forecast per Section II of the January 15 Implementation Order (Template Section 10A & 10I

Table 3: Summary of Portfolio Costs

Summary of Portfolio Costs								
	Program Year 1		Program Year 2		Program Year 3		Program Year 4	
	Portfolio Budget ($)	% of Portfolio Budget	Portfolio Budget ($)	% of Portfolio Budget	Portfolio Budget ($)	% of Portfolio Budget	Portfolio Budget ($)	% of Portfolio Budget
Residential Portfolio Annual Budget ($000 and percent of Portfolio Budget)	1,992,871	0	5,787,506	47%	18,102,980	41%	9,919,899	30%
Residential Low-Income Portfolio Annual Budget ($000 and percent of Portfolio Budget)	272,045	6%	3,240,196	27%	5,129,942	12%	3,439,463	10%
Commercial/Industrial Small Portfolio Annual Budget ($000 and percent of Portfolio Budget)	724,766	16%	1,383,535	11%	11,554,935	26%	9,145,272	27%
Commercial/Industrial Large Portfolio Annual Budget ($000 and percent of Portfolio Budget)	1,314,126	28%	1,025,674	8%	5,890,457	13%	8,018,938	24%
Governmental/Non-Profit Portfolio Annual Budget ($000 and percent of Portfolio Budget)	325,055	7%	789,601	6%	3,209,096	7%	2,983,636	9%
Total Portfolio Annual Budget	**4,628,863**		**12,226,512**		**43,887,409**		**33,507,208**	

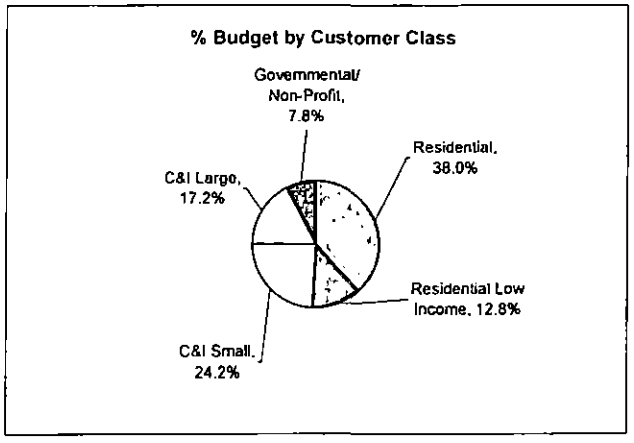
Table 4: Program Summaries							
	Program Name	Program Market	Program Two Sentence Summary	Program Years Operated	Net Lifetime MWh Savings	Net Peak Demand kW Savings	Percentage of Portfolio and Total Lifetime MWh savings %
Residential Portfolio Programs (exclusive of Low Income)	Residential Appliance Turn-In Program	RES	Provides financial incentives to customers for turning in older inefficient appliances.	4	175,566	4,221	3.0%
	Critical Peak Rebate (CPR) Rate - Residential	RES	A rebate rate offering that encourages residential customers to lower their energy demand during peak load hours by offering a rebate based on their actual energy demand.	2	1,148	11,484	0.0%
	Conservation Voltage Reduction (CVR) Program	RES	Strategically reduce voltage across designated portions of the Company's distribution system. Energy and demand savings vary depening on load type.	2	190,777	2,178	3.2%
	Residential Energy Efficient Products Program	RES	Provides financial incentives and support to customers directly or through retialers for implementing energy efficient products., such as Energy Star® qualified appliances or compact fluorescent light bulbs	4	767,344	7,818	12.9%
	Residential Home Performance Program	RES	Provides two levels: 1) self-administered on-line audit and 2) an on-site audit with Check-Up or Comprehensive options performed by a certfied auditor.	4	657,333	9,360	11.1%
	Residential Energy Efficient HVAC Equipment Program	RES	Provides financial incentives supporting implementation of contractor-installed energy efficient HVAC, or other eligible systems.	4	83,736	2,732	1.4%
	Totals for Residential Sector				1,875,905	37,792	31.6%
Residential Low-Income Sector Programs	Conservation Voltage Reduction (CVR) Program	LI RES	Strategically reduce voltage across designated portions of the Company's distribution system. Energy and demand savings vary depening on load type.	2	47,694	544	0.8%
	Joint Utility Usage Management Program	LI RES	A program that leverages resources and funding to provide comprehensive energy saving measures and weatherization services to low income customers through partnership with gas utilities	4	70,990	841	1.2%
	Limited Income Energy Efficiency Program (LIEEP)	LI RES	A program that educates customers on EE&C and improves overall home performance by providing the installation of EE&C measures. Includes replacement of refrigerators and distribution of energy saving kit.	4	118,464	2,812	2.0%
	Totals for Low-Income Sector				237,149	4,197	4.0%

Table 4: Program Summaries

	Program Name	Program Market	Program Two Sentence Summary	Program Years Operated	Net Lifetime MWh Savings	Net Peak Demand kW Savings	Percentage of Portfolio and Total Lifetime MWh savings %
Commercial/ Industrial Small Portfolio Programs	Conservation Voltage Reduction (CVR) Program	Small C&I	Strategically reduce voltage across designated portions of the Company's distribution system Energy and demand savings vary depening on load type.	2	132,994	1,518	2.2%
	C/I Equipment Program - Small	Small C&I	Provides financial incentives and support to customers directly or through retialers for implementing energy efficient equipment and products. Other delivery mechanisms may include EE kits provided to participants and audits coupled with direct installation of low cost measures.	4	1,492,444	27,325	25.2%
	Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	Small C&I	A rate offering that encourages customers to lower their demand and energy consumption during on-peak and peak load periods by charging a higher price during these periods and a lower price during off-peak periods, that reflects the cost of serving customers during these periods	2	6,184	11,197	0.1%
	Totals for C/I Small Sector				1,631,622	40,040	27.5%
Commercial/ Industrial Large Portfolio Programs	Customer Load Response Program	Large C&I	A program that provides demand response with participating customers by contracting with customers for load reduction during peak load hours. Customers will receive payment for their participation in Company demand response events	2	1,316	13,160	0.0%
	Customer Resources Demand Response Program	Large C&I	A program that provides demand response with participating customers by deploying customer load during peak load hours. The Company will contract with PJM curtailment service providers for load resources for participation in Company demand response events.	2	6,392	74,260	0.1%
	Distributed Generation Program	Large C&I	A program that provides demand response with participating customers by deploying customer-owned standby generation during peak load hours. The Company will contract with third party dispatchable generation provider(s) to operate, maintain and dispatch a customer's standby generator	2	987	9,870	0.0%
	C/I Equipment Program - Large	Large C&I	Provides financial incentives and support to customers directly or through retialers for implementing energy efficient equipment and products. Other delivery mechanisms may include EE kits provided to participants and audits coupled with direct installation of low cost measures.	4	1,424,200	14,960	24.0%
	Conservation Voltage Reduction (CVR) Program	Large C&I	Strategically reduce voltage across designated portions of the Company's distribution system Energy and demand savings vary depening on load type.	2	64,204	733	1.1%
	Totals for C/I Large Sector				1,497,099	112,983	25.2%
Governmental/ Non-Profit Portfolio Programs	Governmental and Institutional Program	Gov't	Provides financial incentives and support to customers directly or through retialers for implementing energy efficient equipment and products. Other delivery mechanisms may include EE kits provided to participants and audits coupled with direct installation of low cost measures.	4	664,719	13,434	11.2%
	Conservation Voltage Reduction (CVR) Program	Gov't	Strategically reduce voltage across designated portions of the Company's distribution system Energy and demand savings vary depening on load type	2	22,930	262	0.4%
	Totals for Gov't/NP Sector Programs				687,649	13,696	11.6%
Total for Plan					5,929,424	208,708	100.0%

Table 5: Budget and Parity Analysis Summary

Customer Class		Budget	% of Total EDC Budget	% of Total Budget Excluding Other Expenditures	% of Total Customer Revenue	Difference
Residential		$35,803,256	38%	38%	3.0%	34.9%
Residential Low Income		$12,081,645	13%	13%	1.0%	11.8%
Residential Subtotal	$	47,884,902	51%	51%	4.1%	46.7%
C&I Small		$22,808,507	24%	24%	1.9%	22.3%
C&I Large		$16,249,194	17%	17%	1.4%	15.9%
C&I Subtotal	$	39,057,701	41%	41%	3.3%	38.1%
Governmental/Non-Profit		$7,307,389	8%	8%	0.6%	7.1%
Governmental/Non-Profit Subtotal	$	7,307,389	8%	8%	0.6%	7.1%
Residential/C&I/Governmental/Non-Profit Subtotal	$	94,249,992	100%	100%	$1,178,130,105	
Other Expenditures			0%			
Other Expenditures Subtotal		0	0			
EDC TOTAL	$	94,249,992	100%			



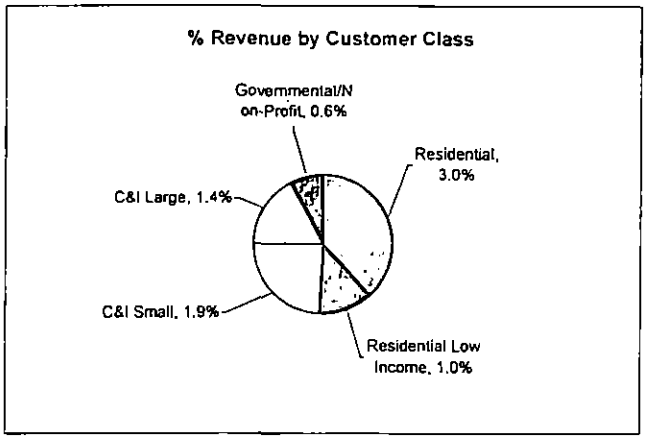


Table 6A: Portfolio-Specific Assignment of EE&C Costs

Residential Portfolio (including Low-Income)			
EE&C Program	Cost Elements ($)		
	Total Incentives	*Operations Costs*	*Total Budget (2010-2013)*
Appliance Turn-In	564,975	843,395	1,408,370
CPR	610,830	903,092	1,513,922
CVR	-	832,216	832,216
EE Products	4,894,363	7,715,642	12,610,005
Home Performance	8,851,402	7,201,210	16,052,612
EE HVAC	1,381,367	887,724	2,269,091
CVR (LI_RES)	-	208,054	208,054
JUUMP	3,651,626	627,629	4,279,255
LIEEP	5,805,810	1,062,341	6,868,151
Totals	**25,760,373**	**20,281,303**	**46,041,675**

Small Commercial & Industrial			
EE&C Program	Cost Elements ($)		
	Total Incentives	*Operations Costs*	*Total Budget (2010-2013)*
CVR	-	580,151	580,151
Equipment Rebates	16,109,093	4,227,640	20,336,733
Time of Use	199,713	695,337	895,050
Totals	**16,308,806**	**5,503,128**	**21,811,934**

Large Commercial & Industrial			
EE&C Program	Cost Elements ($)		
	Total Incentives	*Operations Costs*	*Total Budget (2010-2013)*
Customer Load Response	604,400	1,207,148	1,811,548
Customer Resources Demand Response	2,952,976	1,211,691	4,164,667
Distributed Generation	459,550	348,927	808,477
Equipment Rebates	5,511,100	3,139,102	8,650,201
CVR	-	280,073	280,073
Totals	**9,528,026**	**6,186,941**	**15,714,967**

Governmental/Non-Profit			
EE&C Program	Cost Elements ($)		
	Total Incentives	*Operations Costs*	*Total Budget (2010-2013)*
Governmental & Institutional	5,445,227	1,451,287	6,896,515
CVR	-	100,026	100,026
Totals	**5,445,227**	**1,551,313**	**6,996,541**

Notes:

1 Prepare and submit a separate table for each customer sector portfolio The Residential portfolio is used here for illustrative purposes

2 List each EE&C program by name Add rows as necessary

3 List all cost elements for each program that can be directly identified as relating exclusively to the specific customer sector addressed in this table Any

Table 6B: Allocation of Common Costs to Applicable Customer Sector

Common Cost Element	Total Cost ($)	Class Cost Allocaton ($)			
		Residential (Including Low-Income)	Commercial/ Industrial – Small	Commercial/ Industrial – Large	Governmental/ Non-profit
Consultant Costs, Plan Development and Plan Administration	$3,684,875	$1,843,226	$996,573	$534,227	$310,848
Totals	**$3,684,875**	**$1,843,226**	**$996,573**	**$534,227**	**$310,848**

Table 6C: Summary of Portfolio EE&C Costs

Portfolio	Total Sector-Portfolio-specific Costs	Total Common Costs	Total of All Costs
Residential (Including Low-Income)	$46,041,675	$1,843,226	$47,884,902
Commercial/Industrial -- Small	$21,811,934	$996,573	$22,808,507
Commercial/Industrial -- Large	$15,714,967	$534,227	$16,249,194
Governmental/Non-profit	$6,996,541	$310,848	$7,307,389
Totals	**$90,565,117**	**$3,684,875**	**$94,249,992**

Table 7A: TRC Benefits Table

o Submit yearly projections for each program thru final year of that program for TRC evaluation.

Residential			TRC Benefits By Program Per Year ($000)									
									Load Reductions in kW		MWh Saved	
Program	Program Year	TRC	Program Costs ($000)	Program Benefits ($000)	Capacity Annual Benefits	Capacity Annual Gen/T&D	Energy Annual Benefits	Energy Annual On/Off Peak	Annual	Lifetime	Annual	Lifetime
Appliance Turn-In	1	*3.26*	11	35	5,276	See footnote 1	17,448	See footnote 2	71	71	439	439
	2	*3.86*	91	353	75;178		174,581		844	915	3,325	3,764
	3	*4.93*	649	3,197	250,442		2,792,137		1,408	4,221	7,690	143,340
	4	*5.13*	1,160	5,946	377,276		5,413,921		2,846	4,209	17,360	143,333
CPR	1	*0.00*	451	-	-		-		-	11,484	-	1,148
	2	*0.00*	-	-	-		-		-	11,484	-	1,148
	3	*1.24*	180	223	168,601		54,262		4,577	11,484	458	1,148
	4	*0.44*	272	120	38,057		82,343		6,907	11,484	691	1,148
CVR	1	*0.00*	-	-	-		-		-	2,178	-	190,777
	2	*0.00*	-	-	-		-		-	2,178	-	190,777
	3	*6.41*	1,617	10,374	545,817		9,827,800		2,178	2,178	19,078	190,777
	4	*0.00*	-	-	-		-		2,178	2,178	19,078	190,777
EE Products	1	*0.15*	391	58	10,500		28,118		146	146	696	696
	2	*0.82*	3,719	3,061	314,848		1,707,350		3,144	3,290	37,309	38,004
	3	*2.11*	6,423	13,543	605,338		11,321,157		2,845	7,839	41,804	450,755
	4	*2.76*	6,768	18,714	571,441		16,525,961		2,789	7,839	53,045	450,755
Home Performance	1	*2.94*	17	51	3,709		27,654		39	39	714	714
	2	*3.19*	80	255	19,365		145,798		140	179	2,580	3,294
	3	*1.81*	5,908	10,672	600,823		7,895,063		5,942	9,339	105,547	263,101
	4	*1.58*	8,288	13,063	599,003		10,304,164		3,963	9,273	41,786	262,520
EE HVAC	1	*0.19*	1	0	51		125		1	1	3	3
	2	*0.41*	678	280	76,127		128,083		951	952	2,767	2,770
	3	*0.70*	1,503	1,050	189,009		739,376		899	2,732	2,528	37,823
	4	*0.86*	2,099	1,800	276,372		1,402,058		1,215	2,732	2,804	37,823
Total		**2.05**	**40,307**	**82,793**	**4,727,231**		**68,587,400**					

1: Generation, Transmission and Distribution Capacity costs are combined in a sum of avoided capacity costs. These costs are then NPV back to the year the measure unit was installed. The combined avoided capacity costs can not be identified by component therefore the total avoided capacity costs for Generation, Transmission and Distribution are displayed here.

2: The on and off peak energy costs are combined in a sum of avoided energy costs. These costs are then NPV back to the year the measure unit was installed. The combined avoided energy costs can not be identified by component therefore the total avoided energy costs for on and off peak energy costs are displayed here.

Table 7B: TRC Benefits Table

o Submit yearly projections for each program thru final year of that program for TRC evaluation.

Residential Low-Income		TRC Benefits By Program Per Year ($000)										
Program	Program Year	TRC	Program Costs ($000)	Program Benefits ($000)	Capacity Annual Benefits	Capacity Annual Gen/T&D	Energy Annual Benefits	Energy Annual On/Off Peak	Load Reductions in		MWh Saved	
									Annual	Lifetime	Annual	Lifetime
CVR	1	0.00	0	0	0	See footnote	0	See footnote	0	544	0	47,694
	2	0.00	0	0	0	1 on PUC	0	2 on PUC	0	544	0	47,694
	3	6.41	404	2,593	136,454	Table 7A	2,456,950	Table 7A	544	544	4,769	47,694
	4	0.00	0	0	0		0		544	544	4,769	47,694
JUUMP	1	0.00	0	0	0		0		0	0	0	0
	2	3.37	1	4	543		2,361		6	6	53	53
	3	1.06	1,623	1,727	136,601		1,588,084		397	841	2,249	70,428
	4	1.11	1,803	2,001	154,378		1,843,956		832	841	4,690	70,428
LIEEP	1	2.86	20	58	2,717		32,696		20	20	844	844
	2	3.58	148	529	92,287		269,705		1,067	1,087	5,250	6,094
	3	1.29	2,259	2,903	252,055		2,393,157		1,195	2,812	7,494	80,682
	4	1.17	2,381	2,787	204,286		2,324,850		1,043	2,812	7,849	80,682
Total		1.46	8,640	12,603	979,321		10,911,759					

Table 7C: TRC Benefits Table

o Submit yearly projections for each program thru final year of that program for TRC evaluation.

Commercial/Industrial Small	TRC Benefits By Program Per Year ($000)											
									Load Reductions in kW		MWh Saved	
Program	Program Year	TRC	Program Costs ($000)	Program Benefits ($000)	Capacity Annual Benefits	Capacity Annual Gen/T&D	Energy Annual Benefits	Energy Annual On/Off Peak	Annual	Lifetime	Annual	Lifetime
CVR	1	0.00	0	0	0	See footnote	0	See footnote	0	1,518	0	132,994
	2	0.00	0	0	0	1 on PUC	0	2 on PUC	0	1,518	0	132,994
	3	5.45	1,127	6,139	380,498	Table 7A	5,758,972	Table 7A	1,518	1,518	13,299	132,994
	4	0.00	0	0	0		0		1,518	1,518	13,299	132,994
Equipment Rebate	1	1.36	9	12	2,167		7,240		29	29	188	188
	2	1.39	855	1,187	250,233		694,146		2,944	2,973	15,408	15,595
	3	2.25	10,431	23,444	1,969,542		21,024,059		12,738	27,325	63,430	1,155,003
	4	2.21	14,965	33,093	2,374,294		30,289,114		21,693	26,978	113,878	1,153,677
TOU	1	0.00	233	0	0		0		0	11,197	0	6,184
	2	0.00	0	0	0		0		0	11,197	0	6,184
	3	2.31	173	401	154,674		246,072		4,199	11,197	2,319	6,184
	4	1.56	289	450	38,561		411,076		6,998	11,197	3,865	6,184
Total		**2.30**	**28,083**	**64,727**	**5,169,968**		**58,430,678**					

Table 7D: TRC Benefits Table

o Submit yearly projections for each program thru final year of that program for TRC evaluation.

Commercial/Industrial Large	TRC Benefits By Program Per Year ($000)											
									Load Reductions in kW		MWh Saved	
Program	Program Year	TRC	Program Costs ($000)	Program Benefits ($000)	Capacity Annual Benefits	Capacity Annual Gen/T&D	Energy Annual Benefits	Energy Annual On/Off Peak	Annual	Lifetime	Annual	Lifetime
Customer Load Response	1	0.00	317	0	0	See footnote	0	See footnote	0	13,160	0	1,316
	2	0.00	0	0	0	1 on PUC	0	2 on PUC	0	13,160	0	1,316
	3	0.26	667	175	138,506	Table 7A	36,987	Table 7A	3,760	13,160	376	1,316
	4	0.09	1,667	144	51,795		92,701		9,400	13,160	940	1,316
Customer Resources Demand Response	1	0.00	497	0	0		0		0	74,260	0	6,392
	2	0.00	0	0	0		0		0	74,260	0	6,392
	3	0.75	116	88	69,253		18,494		1,880	74,260	188	6,392
	4	0.24	4,225	1,011	398,822		611,827		72,380	74,260	6,204	6,392
Distributed Generation	1	0.00	124	0	0		0		0	9,870	0	987
	2	0.00	0	0	0		0		0	9,870	0	987
	3	0.51	299	154	121,193		32,364		3,290	9,870	329	987
	4	0.17	598	101	36,257		64,891		6,580	9,870	658	987
Equipment Rebate	1	0.00	0	0	0		0		0	0	0	0
	2	14.07	34	475	105,157		316,886		1,279	1,279	7,448	7,448
	3	2.13	7,595	16,145	469,065		1,641,352		6,787	80,446	28,770	42,422
	4	2.11	11,619	24,465	599,797		2,275,098		72,380	80,446	6,204	42,422
CVR	1	0.00	0	0	0		0		0	733	0	64,204
	2	0.00	0	0	0		0		0	733	0	64,204
	3	4.81	544	2,617	183,689		2,433,180		733	733	6,420	64,204
	4	0.00	0	0	0		0		733	733	6,420	64,204
Total		1.60	28,302	45,376	2,173,533		7,523,780					

Table 7E: TRC Benefits Table

o Submit yearly projections for each program thru final year of that program for TRC evaluation

Governmental/Non-Profit	TRC Benefits By Program Per Year ($000)										
Program	Program Year	TRC	Program Costs ($000)	Program Benefits ($000)	Capacity Annual Benefits	Capacity Annual Gen/T&D	Energy Annual Benefits	Energy Annual On/Off Peak	Load Reductions in kW		MWh Saved	
									Annual	Lifetime	Annual	Lifetime
Governmental & Institutional	1	5.59	38	212	48,228	See footnote	116,605	See footnote	676	676	3,023	3,023
	2	3.64	346	1,259	341,276	1 on PUC	679,784	2 on PUC	3,524	4,200	12,253	15,276
	3	2.34	5,137	12,039	1,201,527	Table 7A	10,480,611	Table 7A	5,435	13,434	27,105	558,548
	4	2.28	5,870	13,369	1,064,449		12,193,215		7,029	8,395	42,390	542,806
CVR	1	0.00	0	0	0		0		0	262	0	22,930
	2	0.00	0	0	0		0		0	262	0	22,930
	3	4.81	194	935	65,603		868,993		262	262	2,293	22,930
	4	0.00	0	0	0		0		262	262	2,293	22,930
Total		**2.40**	**11,585**	**27,814**	**2,721,083**		**24,339,208**					

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ENERGY EFFICIENCY AND CONSERVATION ("EE&C") SURCHARGE

In addition to the charges provided in this Tariff and in accordance with 66 Pa. C.S. §2806.1, there shall be a surcharge as set forth below to recover the costs associated with Company-sponsored programs for energy efficiency and conservation programs as approved by the Commission. This surcharge is applied to designated Rate Schedules to recover costs allocated to that Rate Schedule. This surcharge will be applied each month until changed by the Commission. The resulting surcharge is in addition to any minimum charge set out in the Rate Schedule and is added to the Customer's bill before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late payment charges.

CALCULATION OF SURCHARGE

The EE&C Surcharge is calculated as a levelized surcharge through May 2013. The surcharge is calculated by separating the Program Costs allocated to each Rate Schedule into an energy-related portion and a demand-related portion, and dividing by forecasted distribution energy and distribution demand sales, respectively, for the same Rate Schedule. The calculation includes an Annual Reconciliation Factor adjustment and an adjustment for gross receipts tax. The Annual Reconciliation Factor adjustment will be filed by March 31 to become effective the forthcoming June 1. Upon determination that the surcharge, if left unchanged, would result in a material over/under-collection, the Company may file a proposed interim revision of the surcharge for Commission approval.

For Customers receiving service under Schedule 10, the EE&C Surcharge is added to the Distribution Charge for billing purposes. For all other Customers, the EE&C Surcharge shall be set out separately on the Customer's bill.

Bills shall include an amount equal to the surcharge rate times the number of distribution energy and capacity sales as follows:

EE&C SURCHARGE

Rate Schedule	Rate per kWh	Rate per kW	Rate per kW PLC	
10	$0.00178			(I)
20	$0.00122			(D)
22	$0.00128			(I)
30 (small)*	$0.00081	$0.46		(D)(I)
30 (large)*			$0.51	(D)
40			$0.34	(D)
41			$0.35	(D)
44			$0.33	(D)
46			$0.34	(D)
51 thru 58, 71	$0.00037			(N)

*Rate Schedule 30 (small) defined as Customers receiving service under Rate Schedule 30 with a Kilowatt Demand less than 500 kilowatts, and Rate Schedule 30 (large) defined as Customers receiving service under Rate Schedule 30 with a Kilowatt Demand greater than or equal to 500 kilowatts. The Company will categorize Customers as those with Kilowatt Demands less than 500 kilowatts and those with a Kilowatt Demand greater than or equal to 500 kilowatts.

(I) Indicates Increase
(D) Indicates Decrease
(N) Indicates New

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ENERGY EFFICIENCY AND CONSERVATION ("EE&C") SURCHARGE

In addition to the charges provided in this Tariff and in accordance with 66 Pa. C.S. §2806.1, there shall be a surcharge as set forth below to recover the costs associated with Company-sponsored programs for energy efficiency and conservation programs as approved by the Commission. This surcharge is applied to designated Rate Schedules to recover costs allocated to that Rate Schedule. This surcharge will be applied each month until changed by the Commission. The resulting surcharge is in addition to any minimum charge set out in the Rate Schedule and is added to the Customer's bill before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late payment charges.

CALCULATION OF SURCHARGE

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For Customers receiving service under Schedule 10, the EE&C Surcharge is added to the Distribution Charge for billing purposes. For all other Customers, the EE&C Surcharge shall be set out separately on the Customer's bill.

Bills shall include an amount equal to the surcharge rate times the number of distribution energy and capacity sales as follows:

EE&C SURCHARGE

Rate Schedule	Rate per kWh	Rate per kW	Rate per kW PLC	
10	$0.00178~~475~~			(I~~D~~)
20	$0.00122~~423~~			(D)
22	$0.00128~~411~~			(I~~D~~)
30 (small)*	$0.00081~~087~~	$0.4~~641~~		(D)(I)
30 (large)*			$0.5~~155~~	(D)
40			$0.3~~436~~	(D)
41			$0.3~~536~~	(D)
44			$0.3~~336~~	(D)
46			$0.3~~437~~	(D~~I~~)
51 thru 58, 71	$0.00037			(N)

*Rate Schedule 30 (small) defined as Customers receiving service under Rate Schedule 30 with a Kilowatt Demand less than 500 kilowatts, and Rate Schedule 30 (large) defined as Customers receiving service under Rate Schedule 30 with a Kilowatt Demand greater than or equal to 500 kilowatts. The Company will categorize Customers as those with Kilowatt Demands less than 500 kilowatts and those with a Kilowatt Demand greater than or equal to 500 kilowatts.

(I) Indicates Increase
(D) Indicates Decrease
(N) Indicates New

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ENERGY EFFICIENCY AND CONSERVATION ("EE&C") SURCHARGE

In addition to the charges provided in this Tariff and in accordance with 66 Pa. C.S.A. §2806.1, there shall be a surcharge as set forth below to recover the costs associated with Company-sponsored programs for energy efficiency and conservation programs as approved by the Commission. This surcharge is applied to this Tariff to recover costs allocated to this Tariff. This surcharge will be applied each month until changed by the Commission. The resulting surcharge is in addition to any minimum charge set out in the Tariff and is added to the Customer's bill before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late payment charges.

CALCULATION OF SURCHARGE

The EE&C Surcharge is calculated as a levelized surcharge through May 2013. The surcharge is calculated by separating the Program Costs allocated to this Tariff and dividing by forecasted distribution PLC demand sales. The calculation includes an Annual Reconciliation Factor adjustment and an adjustment for gross receipts tax. The Annual Reconciliation Factor adjustment will be filed by March 31 to become effective the forthcoming June 1. Upon determination that the surcharge, if left unchanged, would result in a material over/under-collection, the Company may file a proposed interim revision of the surcharge for Commission approval.

Bills shall include an amount equal to the surcharge rate times the number of capacity sales as follows:

EE&C SURCHARGE

Rate per kW PLC	
$0.23	(D)

ELIGIBLE COSTS

Costs eligible for recovery through the EE&C Surcharge are approved by the Commission and include:

Program Costs – Program Costs are the estimated costs for research, development, implementation, and operation of programs to be incurred by the Company and approved by the Commission. Program costs include, but are not limited to, Company labor, rebates and incentives, payments to third parties for program administration and implementation, direct marketing and advertising costs incurred by the Company, market research costs, program development, monitoring and evaluation, consultant and contractor fees, applicable software and software licenses, program measurement and monitoring hardware, and all other administrative activities associated with program development and implementation.

Annual Reconciliation Factor – The Annual Reconciliation Factor corrects for over/under-collection of Program Costs and may reflect items such as an update of forecasted billing determinants, re-evaluation or re-design of EE&C programs, and re-allocation of Program Costs to this Tariff. The Company will submit to the Commission by March 31 of each year: (1) a comparison between forecasted revenues billed and actual revenues billed through February, as adjusted for removal of gross receipts tax; (2) any adjustment to the forecasted revenues anticipated to be billed during March through May, as adjusted for removal of gross receipts tax; (3) any adjustment to the Program Costs levelized through May 2013 based upon actual costs incurred through February and any revised estimates for future months, subject to this Tariff's allocation portion of the amount permitted to be recovered under 66 Pa. C.S.A. §2806.1; and (4) the subsequent reconciliation effect to the EE&C Surcharge adjusted for gross receipts tax and levelized over the period of the upcoming June 1 and continuing through the remaining months of the surcharge. There shall also be a final reconciliation of amounts to be collected or refunded after May 31, 2013.

(D) Indicates Decrease

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ENERGY EFFICIENCY AND CONSERVATION ("EE&C") SURCHARGE

In addition to the charges provided in this Tariff and in accordance with 66 Pa. C.S.A. §2806.1, there shall be a surcharge as set forth below to recover the costs associated with Company-sponsored programs for energy efficiency and conservation programs as approved by the Commission. This surcharge is applied to this Tariff to recover costs allocated to this Tariff. This surcharge will be applied each month until changed by the Commission. The resulting surcharge is in addition to any minimum charge set out in the Tariff and is added to the Customer's bill before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late payment charges.

CALCULATION OF SURCHARGE

The EE&C Surcharge is calculated as a levelized surcharge through May 2013. The surcharge is calculated by separating the Program Costs allocated to this Tariff and dividing by forecasted distribution PLC demand sales. The calculation includes an Annual Reconciliation Factor adjustment and an adjustment for gross receipts tax. The Annual Reconciliation Factor adjustment will be filed by March 31 to become effective the forthcoming June 1. Upon determination that the surcharge, if left unchanged, would result in a material over/under-collection, the Company may file a proposed interim revision of the surcharge for Commission approval.

Bills shall include an amount equal to the surcharge rate times the number of capacity sales as follows:

EE&C SURCHARGE

Rate per kW PLC	
$0.2344	(D)

ELIGIBLE COSTS

Costs eligible for recovery through the EE&C Surcharge are approved by the Commission and include:

Program Costs – Program Costs are the estimated costs for research, development, implementation, and operation of programs to be incurred by the Company and approved by the Commission. Program costs include, but are not limited to, Company labor, rebates and incentives, payments to third parties for program administration and implementation, direct marketing and advertising costs incurred by the Company, market research costs, program development, monitoring and evaluation, consultant and contractor fees, applicable software and software licenses, program measurement and monitoring hardware, and all other administrative activities associated with program development and implementation.

Annual Reconciliation Factor – The Annual Reconciliation Factor corrects for over/under-collection of Program Costs and may reflect items such as an update of forecasted billing determinants, re-evaluation or re-design of EE&C programs, and re-allocation of Program Costs to this Tariff. The Company will submit to the Commission by March 31 of each year: (1) a comparison between forecasted revenues billed and actual revenues billed through February, as adjusted for removal of gross receipts tax; (2) any adjustment to the forecasted revenues anticipated to be billed during March through May, as adjusted for removal of gross receipts tax; (3) any adjustment to the Program Costs levelized through May 2013 based upon actual costs incurred through February and any revised estimates for future months, subject to this Tariff's allocation portion of the amount permitted to be recovered under 66 Pa. C.S.A. §2806.1; and (4) the subsequent reconciliation effect to the EE&C Surcharge adjusted for gross receipts tax and levelized over the period of the upcoming June 1 and continuing through the remaining months of the surcharge. There shall also be a final reconciliation of amounts to be collected or refunded after May 31, 2013.

(D) Indicates Decrease

Issued _____ Effective _____

WEST PENN POWER CO.
EE&C Surcharge Summary

Tariff Classification	Costs: Current Plan Costs	Costs: Second Amended Plan Costs	Costs: Total Costs	Revenues and Adjustments: EE&C Surcharge (w/out GRT) thru Jun 2011*	EE&C Surcharge (w/out GRT) Jul-Nov 2011*	Merger Adjustment**	Total Rev & Adj	Total Costs less Rev & Adj	Proposed EE&C Surcharge effective Dec 1, 2011 (w/GRT) $ /kWh	$ /kW	$ /kW-PLC
Tariff No. 39, Schedule 10	$ 23,513,988	$ 24,370,913	$ 47,884,902	$ (25,010,362)	$ (4,573,688)	$ -	$ (29,584,051)	$ 18,300,851	$ 0.00178		
Tariff No. 39, Schedule 20	$ 3,385,347	$ 9,396,358	$ 12,781,705	$ (5,245,186)	$ (1,324,055)	$ (1,559,187)	$ (8,128,429)	$ 4,653,276	$ 0.00122		
Tariff No. 39, Schedule 22	$ 50,624	$ 154,093	$ 204,717	$ (72,254)	$ (14,523)	$ (36,912)	$ (123,689)	$ 81,028	$ 0.00128		
Tariff No. 39, Schedule 30 (small)	$ 3,064,344	$ 10,229,272	$ 13,293,616	$ (4,768,500)	$ (1,386,937)	$ (1,957,306)	$ (8,112,743)	$ 5,180,873	$ 0.00081	$ 0.46	
Tariff No. 39, Schedule 30 (large)	$ 2,987,793	$ 7,199,435	$ 10,187,229	$ (3,518,713)	$ (937,795)	$ (2,546,994)	$ (7,003,502)	$ 3,183,726			$ 0.51
Tariff No. 39, Schedule 40	$ 1,851,984	$ 4,374,595	$ 6,226,579	$ (2,388,635)	$ (876,287)	$ -	$ (3,264,922)	$ 2,961,657			$ 0.34
Tariff No. 39, Schedule 41	$ 41,947	$ 131,072	$ 173,020	$ (54,667)	$ (26,308)	$ -	$ (80,976)	$ 92,044			$ 0.35
Tariff No. 39, Schedule 44	$ 34,226	$ 76,542	$ 110,768	$ (44,546)	$ (15,237)	$ -	$ (59,783)	$ 50,986			$ 0.33
Tariff No. 39, Schedule 46	$ 750,177	$ 1,808,921	$ 2,559,098	$ (954,610)	$ (374,710)	$ -	$ (1,329,320)	$ 1,229,779			$ 0.34
Tariff No. 37	$ 272,349	$ 514,668	$ 787,018	$ (371,458)	$ (108,278)	$ (89,600)	$ (569,337)	$ 217,681			$ 0.23
Tariff No. 39, Schedules 51-58, 71	$ -	$ 41,340	$ 41,340	$ -	$ -	$ -	$ -	$ 41,340	$ 0.00037		
Total	$ 35,952,781	$ 58,297,211	$ 94,249,992	$ (42,428,933)	$ (9,637,818)	$ (6,190,000)	$ (58,256,750)	$ 35,993,242			

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Per paragraph 18 of Joint Petition For Partial Settlement at Docket Nos. A-2010-2176520 and A-2010-2176732, dated October 25, 2010

WEST PENN POWER CO.
Levelized Surcharge Calculation
Residential

	Residential Appliance Turn-In Program	Residential Energy Efficient Products Program	Residential Energy Efficient HVAC Equipment Program	Residential Home Performance	Critical Peak Rebate (CPR) Rate - Residential	Conservation Voltage Reduction (CVR) Program - Residential
Current Plan Costs	$ -	$ 8,299,678	$ 1,475,349	$ 8,495,611	$ -	$ -
Amounts Billed thru Nov 2011*	$ -	$ (12,667,014)	$ (2,301,326)	$ (6,031,706)	$ (934,184)	$ -
Second Amended Plan Costs	$ 1,408,370	$ 4,868,847	$ 1,073,002	$ 7,836,260	$ 1,513,922	$ 1,040,270
Remainder	$ 1,408,370	$ 501,511	$ 247,025	$ 10,300,166	$ 579,738	$ 1,040,270
Billing Determinants Dec '11 thru May '13	kWh	kWh	kWh	kWh	kWh	kWh
Tariff No. 39, Schedule 10	10,906,085,123	10,906,085,123	10,906,085,123	10,906,085,123	10,906,085,123	10,906,085,123
EE&C Surcharge pre-tax	$ / kWh	$ / kWh	$ / kWh	$ / kWh	$ / kWh	$ / kWh
Tariff No. 39, Schedule 10	$ 0.00013	$ 0.00005	$ 0.00002	$ 0.00094	$ 0.00005	$ 0.00010
EE&C Surcharge post-tax**	$ / kWh	$ / kWh	$ / kWh	$ / kWh	$ / kWh	$ / kWh
Tariff No. 39, Schedule 10	$ 0.00014	$ 0.00005	$ 0.00002	$ 0.00100	$ 0.00006	$ 0.00010
Average usage	kWh	kWh	kWh	kWh	kWh	kWh
Tariff No. 39, Schedule 10	988	988	988	988	988	988
EE&C Surcharge for average usage	$ / month	$ / month	$ / month	$ / month	$ / month	$ / month
Tariff No. 39, Schedule 10	$ 0.14	$ 0.05	$ 0.02	$ 0.99	$ 0.06	$ 0.10

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
Residential Low Income

	Limited Income Energy Efficiency Program (LIEEP)	Joint Utility Usage Management Program
Current Plan Costs	$ 3,688,637	$ 1,554,712
Amounts Billed thru Nov 2011*	$ (3,438,156)	$ (4,211,664)
Second Amended Plan Costs	$ 3,626,439	$ 3,003,803
Remainder	$ 3,876,920	$ 346,851
Billing Determinants Dec '11 thru May '13	kWh	kWh
Tariff No. 39, Schedule 10	10,906,085,123	10,906,085,123
EE&C Surcharge pre-tax	$ / kWh	$ / kWh
Tariff No. 39, Schedule 10	$ 0.00036	$ 0.00003
EE&C Surcharge post-tax**	$ / kWh	$ / kWh
Tariff No. 39, Schedule 10	$ 0.00038	$ 0.00003
Average usage	kWh	kWh
Tariff No. 39, Schedule 10	988	988
EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 10	$ 0.37	$ 0.03

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
C/I Equipment Program - Small

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	Second Amended Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 20					
Custom Technology Applications Program	$ -	$ -	$ -	$ -	$ -
Commercial Products Efficiency Program	$ 2,678,299	$ (4,944,544)	$ (2,123,195)	$ -	$ (4,389,440)
Commercial HVAC Efficiency Program	$ 370,300	$ (695,069)	$ (15,389)	$ -	$ (340,158)
C/I Equipment Program - Small	$ -	$ -	$ -	$ 6,780,970	$ 6,780,970
Tariff No. 39, Schedule 22					
Custom Technology Applications Program	$ -	$ -	$ -	$ -	$ -
Commercial Products Efficiency Program	$ 44,475	$ (73,384)	$ (33,953)	$ -	$ (62,862)
Commercial HVAC Efficiency Program	$ 6,149	$ (10,211)	$ 85	$ -	$ (3,977)
C/I Equipment Program - Small	$ -	$ -	$ -	$ 112,758	$ 112,758
Tariff No. 39, Schedule 30 (small)					
Custom Technology Applications Program	$ 865,280	$ (1,443,058)	$ (946,174)	$ -	$ (1,523,952)
Commercial Products Efficiency Program	$ 1,931,953	$ (3,422,321)	$ (861,424)	$ -	$ (2,351,793)
Commercial HVAC Efficiency Program	$ 267,111	$ (473,276)	$ 38,628	$ -	$ (167,537)
C/I Equipment Program - Small	$ -	$ -	$ -	$ 6,201,361	$ 6,201,361
Tariff No. 39, Schedule 30 (large)					
Custom Technology Applications Program	$ 1,060,293	$ (1,553,454)	$ (1,443,119)	$ -	$ (1,936,280)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
Commercial HVAC Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Small	$ -	$ -	$ -	$ 1,836,498	$ 1,836,498
Remainder	$ 7,223,859	$ (12,615,318)	$ (5,384,541)	$ 14,931,588	$ 4,155,588

Billing Determinants Dec '11 thru May '13	kWh	kW PLC
Tariff No. 39, Schedule 20	4,040,405,666	-
Tariff No. 39, Schedule 22	67,186,433	-
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Tariff No. 39, Schedule 30 (large)	3,365,283,535	6,609,147
Total	10,273,756,859	13,664,242

EE&C Surcharge pre-tax	$ / kWh	$ / kW PLC
Tariff No. 39, Schedule 20	$ 0.00051	$ -
Tariff No. 39, Schedule 22	$ 0.00068	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00039	$ 0.15
Tariff No. 39, Schedule 30 (large)	$ -	$ (0.02)

EE&C Surcharge post-tax**	$ / kWh	$ / kW PLC
Tariff No. 39, Schedule 20	$ 0.00054	$ -
Tariff No. 39, Schedule 22	$ 0.00073	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00041	$ 0.16
Tariff No. 39, Schedule 30 (large)	$ -	$ (0.02)

Average usage	kWh	kW PLC
Tariff No. 39, Schedule 20	2,469	-
Tariff No. 39, Schedule 22	2,476	-
Tariff No. 39, Schedule 30 (small)	77,027	-
Tariff No. 39, Schedule 30 (large)	-	708

EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 20	$ 1.33	$ -
Tariff No. 39, Schedule 22	$ 1.80	$ -
Tariff No. 39, Schedule 30 (small)	$ 31.54	$ -
Tariff No. 39, Schedule 30 (large)	$ -	$ (11.36)

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	Second Amended Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 20					
Time of Use with Critical Peak Pricing Program	$ -	$ (211,455)	$ (185,794)	$ -	$ (397,249)
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -	$ -	$ -	$ 523,468	$ 523,468
Tariff No. 39, Schedule 22					
Time of Use with Critical Peak Pricing Program	$ -	$ (3,181)	$ (3,044)	$ -	$ (6,225)
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -	$ -	$ -	$ 8,705	$ 8,705
Tariff No. 39, Schedule 30 (small)					
Time of Use with Critical Peak Pricing Program	$ -	$ (150,027)	$ (87,869)	$ -	$ (237,896)
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -	$ -	$ -	$ 362,878	$ 362,878
Remainder	$ -	$ (364,663)	$ (276,707)	$ 895,050	$ 253,680

Billing Determinants Dec '11 thru May '13	kWh	kW
Tariff No. 39, Schedule 20	4,040,405,666	-
Tariff No. 39, Schedule 22	67,186,433	-
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Total	6,908,473,324	7,055,095

EE&C Surcharge pre-tax	$ / kWh	$ / kW
Tariff No. 39, Schedule 20	$ 0.00003	$ -
Tariff No. 39, Schedule 22	$ 0.00004	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00002	$ 0.01

EE&C Surcharge post-tax**	$ / kWh	$ / kW
Tariff No. 39, Schedule 20	$ 0.00003	$ -
Tariff No. 39, Schedule 22	$ 0.00004	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00002	$ 0.01

Average usage	kWh	kW
Tariff No. 39, Schedule 20	2,469	-
Tariff No. 39, Schedule 22	2,476	-
Tariff No. 39, Schedule 30 (small)	77,027	198

EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 20	$ 0.08	$ -
Tariff No. 39, Schedule 22	$ 0.10	$ -
Tariff No. 39, Schedule 30 (small)	$ 1.83	$ 1.86

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
C/I Equipment Program - Large

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	Second Amended Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 30 (large)					
Custom Application Program	$ 1,425,292.69	$ (1,255,304)	$ (1,143,446)	$ -	$ (973,457)
Commercial Products Efficiency Program	$ 502,207.57	$ (892,847)	$ 131,038	$ -	$ (259,602)
C/I Equipment Program - Large	$ -	$ -	$ -	$ 1,521,375	$ 1,521,375
Tariff No. 39, Schedule 40					
Custom Application Program	$ 1,851,984.21	$ (2,161,711)	$ -	$ -	$ (309,726)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Large	$ -	$ -	$ -	$ 2,141,002	$ 2,141,002
Tariff No. 39, Schedule 41					
Custom Application Program	$ 41,947.40	$ (53,613)	$ -	$ -	$ (11,666)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Large	$ -	$ -	$ -	$ 64,149	$ 64,149
Tariff No. 39, Schedule 44					
Custom Application Program	$ 34,226.15	$ (39,579)	$ -	$ -	$ (5,352)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Large	$ -	$ -	$ -	$ 37,461	$ 37,461
Tariff No. 39, Schedule 46					
Custom Application Program	$ 750,177.11	$ (880,120)	$ -	$ -	$ (129,943)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Large	$ -	$ -	$ -	$ 885,317	$ 885,317
Tariff No. 37					
Custom Application Program	$ 201,389.18	$ (218,921)	$ (92,172)	$ -	$ (109,704)
Commercial Products Efficiency Program	$ 70,960.28	$ (139,501)	$ 10,417	$ -	$ (58,123)
C/I Equipment Program - Large	$ -	$ -	$ -	$ 230,107	$ 230,107
Remainder	$ 4,878,184.58	$ (5,641,595)	$ (1,094,162)	$ 4,879,412	$ 3,021,840

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 39, Schedule 30 (large)	6,609,147
Tariff No. 39, Schedule 40	8,300,925
Tariff No. 39, Schedule 41	278,676
Tariff No. 39, Schedule 44	162,738
Tariff No. 39, Schedule 46	3,845,988
Tariff No. 37	999,630
Total	21,197,104

EE&C Surcharge pre-tax	$ / kW PLC
Tariff No. 39, Schedule 30 (large)	$ 0.04
Tariff No. 39, Schedule 40	$ 0.20
Tariff No. 39, Schedule 41	$ 0.19
Tariff No. 39, Schedule 44	$ 0.20
Tariff No. 39, Schedule 46	$ 0.20
Tariff No. 37	$ 0.06

*EE&C Surcharge post-tax***	$ / kW PLC
Tariff No. 39, Schedule 30 (large)	$ 0.05
Tariff No. 39, Schedule 40	$ 0.21
Tariff No. 39, Schedule 41	$ 0.20
Tariff No. 39, Schedule 44	$ 0.21
Tariff No. 39, Schedule 46	$ 0.21
Tariff No. 37	$ 0.07

Average usage	kW PLC
Tariff No. 39, Schedule 30 (large)	708
Tariff No. 39, Schedule 40	4,297
Tariff No. 39, Schedule 41	7,741
Tariff No. 39, Schedule 44	9,041
Tariff No. 39, Schedule 46	106,833
Tariff No. 37	55,535

EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (large)	$ 32.82
Tariff No. 39, Schedule 40	$ 899.09
Tariff No. 39, Schedule 41	$ 1,548.28
Tariff No. 39, Schedule 44	$ 1,895.66
Tariff No. 39, Schedule 46	$ 22,298.21
Tariff No. 37	$ 3,676.97

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
Customer Load Response Program

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	Second Amended Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 30 (small)					
Customer Load Response Program	$ -	$ (280,061)	$ 57,999	$ -	$ (222,062)
Customer Load Response Program	$ -	$ -	$ -	$ 452,377	$ 452,377
Tariff No. 39, Schedule 30 (large)					
Customer Load Response Program	$ -	$ (295,152)	$ (10,633)	$ -	$ (305,785)
Customer Load Response Program	$ -	$ -	$ -	$ 423,783	$ 423,783
Tariff No. 39, Schedule 40					
Customer Load Response Program	$ -	$ (423,039)	$ -	$ -	$ (423,039)
Customer Load Response Program	$ -	$ -	$ -	$ 596,381	$ 596,381
Tariff No. 39, Schedule 41					
Customer Load Response Program	$ -	$ (10,493)	$ -	$ -	$ (10,493)
Customer Load Response Program	$ -	$ -	$ -	$ 17,869	$ 17,869
Tariff No. 39, Schedule 44					
Customer Load Response Program	$ -	$ (7,747)	$ -	$ -	$ (7,747)
Customer Load Response Program	$ -	$ -	$ -	$ 10,435	$ 10,435
Tariff No. 39, Schedule 46					
Customer Load Response Program	$ -	$ (172,251)	$ -	$ -	$ (172,251)
Customer Load Response Program	$ -	$ -	$ -	$ 246,607	$ 246,607
Tariff No. 37					
Customer Load Response Program	$ -	$ (47,026)	$ (939)	$ -	$ (47,965)
Customer Load Response Program	$ -	$ -	$ -	$ 64,097	$ 64,097
Remainder	$ -	$ (1,235,769)	$ 46,428	$ 1,811,548	$ 622,206

Billing Determinants Dec '11 thru May '13	kW PLC***
Tariff No. 39, Schedule 30 (small)	7,055,095
Tariff No. 39, Schedule 30 (large)	6,609,147
Tariff No. 39, Schedule 40	9,300,925
Tariff No. 39, Schedule 41	278,676
Tariff No. 39, Schedule 44	162,738
Tariff No. 39, Schedule 46	3,845,988
Tariff No. 37	999,630
Total	28,252,199

EE&C Surcharge pre-tax	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.03
Tariff No. 39, Schedule 30 (large)	$ 0.02
Tariff No. 39, Schedule 40	$ 0.02
Tariff No. 39, Schedule 41	$ 0.03
Tariff No. 39, Schedule 44	$ 0.02
Tariff No. 39, Schedule 46	$ 0.02
Tariff No. 37	$ 0.02

EE&C Surcharge post-tax**	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.03
Tariff No. 39, Schedule 30 (large)	$ 0.02
Tariff No. 39, Schedule 40	$ 0.02
Tariff No. 39, Schedule 41	$ 0.03
Tariff No. 39, Schedule 44	$ 0.02
Tariff No. 39, Schedule 46	$ 0.02
Tariff No. 37	$ 0.02

Average usage	kW PLC***
Tariff No. 39, Schedule 30 (small)	198
Tariff No. 39, Schedule 30 (large)	708
Tariff No. 39, Schedule 40	4,297
Tariff No. 39, Schedule 41	7,741
Tariff No. 39, Schedule 44	8,041
Tariff No. 39, Schedule 46	106,833
Tariff No. 37	55,535

EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (small)	$ 6.87
Tariff No. 39, Schedule 30 (large)	$ 13.43
Tariff No. 39, Schedule 40	$ 85.10
Tariff No. 39, Schedule 41	$ 217.75
Tariff No. 39, Schedule 44	$ 158.66
Tariff No. 39, Schedule 46	$ 2,194.95
Tariff No. 37	$ 952.41

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT
***Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Customer Resources Demand Response Program

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	Second Amended Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 30 (small)					
Customer Resources Demand Response Program	$ -	$ (335,082)	$ (69,422)	$ -	$ (404,503)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 1,039,994	$ 1,039,994
Tariff No. 39, Schedule 30 (large)					
Customer Resources Demand Response Program	$ -	$ (373,013)	$ (96,492)	$ -	$ (469,505)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 974,257	$ 974,257
Tariff No. 39, Schedule 40					
Customer Resources Demand Response Program	$ -	$ (562,050)	$ -	$ -	$ (562,050)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 1,371,053	$ 1,371,053
Tariff No. 39, Schedule 41					
Customer Resources Demand Response Program	$ -	$ (13,940)	$ -	$ -	$ (13,940)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 41,080	$ 41,080
Tariff No. 39, Schedule 44					
Customer Resources Demand Response Program	$ -	$ (10,293)	$ -	$ -	$ (10,293)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 23,989	$ 23,989
Tariff No. 39, Schedule 46					
Customer Resources Demand Response Program	$ -	$ (228,853)	$ -	$ -	$ (228,853)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 566,939	$ 566,939
Tariff No. 37					
Customer Resources Demand Response Program	$ -	$ (60,907)	$ (7,670)	$ -	$ (68,578)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 147,356	$ 147,356
Remainder	$ -	$ (1,584,139)	$ (173,583)	$ 4,164,667	$ 2,406,945

Billing Determinants Dec '11 thru May '13	kW PLC***
Tariff No. 39, Schedule 30 (small)	7,055,095
Tariff No. 39, Schedule 30 (large)	6,609,147
Tariff No. 39, Schedule 40	9,300,925
Tariff No. 39, Schedule 41	278,676
Tariff No. 39, Schedule 44	162,738
Tariff No. 39, Schedule 46	3,845,988
Tariff No. 37	999,630
Total	28,252,199

EE&C Surcharge pre-tax	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.09
Tariff No. 39, Schedule 30 (large)	$ 0.08
Tariff No. 39, Schedule 40	$ 0.09
Tariff No. 39, Schedule 41	$ 0.10
Tariff No. 39, Schedule 44	$ 0.08
Tariff No. 39, Schedule 46	$ 0.09
Tariff No. 37	$ 0.08

EE&C Surcharge post-tax**	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.10
Tariff No. 39, Schedule 30 (large)	$ 0.08
Tariff No. 39, Schedule 40	$ 0.09
Tariff No. 39, Schedule 41	$ 0.10
Tariff No. 39, Schedule 44	$ 0.09
Tariff No. 39, Schedule 46	$ 0.09
Tariff No. 37	$ 0.08

Average usage	kW PLC***
Tariff No. 39, Schedule 30 (small)	198
Tariff No. 39, Schedule 30 (large)	708
Tariff No. 39, Schedule 40	4,297
Tariff No. 39, Schedule 41	7,741
Tariff No. 39, Schedule 44	9,041
Tariff No. 39, Schedule 46	106,833
Tariff No. 37	55,535

EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (small)	$ 18.95
Tariff No. 39, Schedule 30 (large)	$ 57.46
Tariff No. 39, Schedule 40	$ 397.19
Tariff No. 39, Schedule 41	$ 801.14
Tariff No. 39, Schedule 44	$ 808.60
Tariff No. 39, Schedule 46	$ 9,980.10
Tariff No. 37	$ 4,650.97

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT
***Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Distributed Generation Program

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	Second Amended Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 30 (small)					
Distributed Generation Program	$ -	$ (51,611)	$ (89,045)	$ -	$ (140,656)
Distributed Generation Program	$ -	$ -	$ -	$ 201,892	$ 201,892
Tariff No. 39, Schedule 30 (large)					
Distributed Generation Program	$ -	$ (86,738)	$ 15,658	$ -	$ (71,081)
Distributed Generation Program	$ -	$ -	$ -	$ 189,130	$ 189,130
Tariff No. 39, Schedule 40					
Distributed Generation Program	$ -	$ (118,122)	$ -	$ -	$ (118,122)
Distributed Generation Program	$ -	$ -	$ -	$ 266,159	$ 266,159
Tariff No. 39, Schedule 41					
Distributed Generation Program	$ -	$ (2,930)	$ -	$ -	$ (2,930)
Distributed Generation Program	$ -	$ -	$ -	$ 7,975	$ 7,975
Tariff No. 39, Schedule 44					
Distributed Generation Program	$ -	$ (2,163)	$ -	$ -	$ (2,163)
Distributed Generation Program	$ -	$ -	$ -	$ 4,657	$ 4,657
Tariff No. 39, Schedule 46					
Distributed Generation Program	$ -	$ (48,096)	$ -	$ -	$ (48,096)
Distributed Generation Program	$ -	$ -	$ -	$ 110,058	$ 110,058
Tariff No. 37					
Distributed Generation Program	$ -	$ (13,382)	$ 764	$ -	$ (12,618)
Distributed Generation Program	$ -	$ -	$ -	$ 28,606	$ 28,606
Remainder	$ -	$ (323,042)	$ (72,624)	$ 808,477	$ 412,812

Billing Determinants Dec '11 thru May '13	kW PLC***
Tariff No. 39, Schedule 30 (small)	7,055,095
Tariff No. 39, Schedule 30 (large)	6,609,147
Tariff No. 39, Schedule 40	9,300,925
Tariff No. 39, Schedule 41	278,676
Tariff No. 39, Schedule 44	162,738
Tariff No. 39, Schedule 46	3,845,988
Tariff No. 37	999,630
Total	28,252,199

EE&C Surcharge pre-tax	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.01
Tariff No. 39, Schedule 30 (large)	$ 0.02
Tariff No. 39, Schedule 40	$ 0.02
Tariff No. 39, Schedule 41	$ 0.02
Tariff No. 39, Schedule 44	$ 0.02
Tariff No. 39, Schedule 46	$ 0.02
Tariff No. 37	$ 0.02

EE&C Surcharge post-tax**	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.01
Tariff No. 39, Schedule 30 (large)	$ 0.02
Tariff No. 39, Schedule 40	$ 0.02
Tariff No. 39, Schedule 41	$ 0.02
Tariff No. 39, Schedule 44	$ 0.02
Tariff No. 39, Schedule 46	$ 0.02
Tariff No. 37	$ 0.02

Average usage	kW PLC***
Tariff No. 39, Schedule 30 (small)	198
Tariff No. 39, Schedule 30 (large)	708
Tariff No. 39, Schedule 40	4,297
Tariff No. 39, Schedule 41	7,741
Tariff No. 39, Schedule 44	9,041
Tariff No. 39, Schedule 46	106,833
Tariff No. 37	55,535

EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (small)	$ 1.83
Tariff No. 39, Schedule 30 (large)	$ 13.44
Tariff No. 39, Schedule 40	$ 72.68
Tariff No. 39, Schedule 41	$ 148.92
Tariff No. 39, Schedule 44	$ 147.23
Tariff No. 39, Schedule 46	$ 1,829.09
Tariff No. 37	$ 943.91

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT
***Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Governmental LED Traffic/Pedestrian Signals - Sch 20

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	Second Amended Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 20					
Municipal LED Traffic Signals	$ 336,749	$ (718,174)	$ 765,190	$ -	$ 383,765
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -	$ -	$ -	$ 129,628	$ 129,628
Remainder	$ 336,749	$ (718,174)	$ 765,190	$ 129,628	$ 513,393

Billing Determinants Dec '11 thru May '13	kWh
Tariff No. 39, Schedule 20	4,040,405,666
EE&C Surcharge pre-tax	$ / kWh
Tariff No. 39, Schedule 20	$ 0.00013
EE&C Surcharge post-tax**	$ / kWh
Tariff No. 39, Schedule 20	$ 0.00014
Average usage	kWh
Tariff No. 39, Schedule 20	2,469
EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 20	$ 0.33

*Billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
Governmental Lighting

	Second Amended Plan Costs	
Program Costs		
Tariff No. 39, Schedule 20	$ 1,598,799	
Tariff No. 39, Schedule 22	$ 26,586	
Tariff No. 39, Schedule 30 (small)	$ 1,108,316	
Tariff No. 39, Schedule 30 (large)	$ 1,226,669	
Total	$ 3,960,370	

Billing Determinants Dec '11 thru May '13	kWh	kW PLC**
Tariff No. 39, Schedule 20	4,040,405,666	-
Tariff No. 39, Schedule 22	67,186,433	-
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Tariff No. 39, Schedule 30 (large)	-	6,609,147
Total	6,908,473,324	13,664,242

EE&C Surcharge pre-tax	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 20	$ 0.00040	$ -
Tariff No. 39, Schedule 22	$ 0.00040	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00020	$ 0.08
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.19

EE&C Surcharge post-tax*	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 20	$ 0.00042	$ -
Tariff No. 39, Schedule 22	$ 0.00042	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00021	$ 0.08
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.20

Average usage	kWh	kW PLC**
Tariff No. 39, Schedule 20	2,469	-
Tariff No. 39, Schedule 22	2,476	-
Tariff No. 39, Schedule 30 (small)	77,027	198
Tariff No. 39, Schedule 30 (large)	-	708

EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 20	$ 1.04	$ -
Tariff No. 39, Schedule 22	$ 1.04	$ -
Tariff No. 39, Schedule 30 (small)	$ 16.20	$ 16.53
Tariff No. 39, Schedule 30 (large)	$ -	$ 139.65

*Includes 5.9% GRT
**Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Governmental Custom Incentives - Sch 30

	Second Amended Plan Costs	
Program Costs		
Tariff No. 39, Schedule 30 (small)	$ 610,475	
Tariff No. 39, Schedule 30 (large)	$ 733,491	
Total	$ 1,343,966	
Billing Determinants Dec '11 thru May '13	kWh	kW PLC**
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Tariff No. 39, Schedule 30 (large)	3,365,283,535	6,609,147
Total	6,166,164,760	13,664,242
EE&C Surcharge pre-tax	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 30 (small)	$ 0.00011	$ 0.04
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.11
EE&C Surcharge post-tax*	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 30 (small)	$ 0.00012	$ 0.05
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.12
Average usage	kWh	kW PLC**
Tariff No. 39, Schedule 30 (small)	77,027	198
Tariff No. 39, Schedule 30 (large)	-	708
EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 30 (small)	$ 8.92	$ 9.10
Tariff No. 39, Schedule 30 (large)	$ -	$ 83.50

*Includes 5.9% GRT
**Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Conservation Voltage Reduction (CVR) Program - Distribution voltages

	Second Amended Plan Costs		
Program Costs			
Tariff No. 39, Schedule 20	$	363,492	
Tariff No. 39, Schedule 22	$	6,044	
Tariff No. 39, Schedule 30 (small)	$	251,979	
Tariff No. 39, Schedule 30 (large)	$	294,232	
Tariff No. 37	$	44,502	
Total	$	960,249	

Billing Determinants Dec '11 thru May '13	kWh	kW PLC**
Tariff No. 39, Schedule 20	4,040,405,666	-
Tariff No. 39, Schedule 22	67,186,433	-
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Tariff No. 39, Schedule 30 (large)	3,365,283,535	6,609,147
Tariff No. 37	399,932,000	999,630
Total	10,673,688,859	14,663,872

EE&C Surcharge pre-tax	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 20	$ 0.00009	$ -
Tariff No. 39, Schedule 22	$ 0.00009	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00004	$ 0.02
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.04
Tariff No. 37	$ -	$ 0.04

EE&C Surcharge post-tax*	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 20	$ 0.00010	$ -
Tariff No. 39, Schedule 22	$ 0.00010	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00005	$ 0.02
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.05
Tariff No. 37	$ -	$ 0.05

Average usage	kWh	kW PLC**
Tariff No. 39, Schedule 20	2,469	-
Tariff No. 39, Schedule 22	2,476	-
Tariff No. 39, Schedule 30 (small)	77,027	-
Tariff No. 39, Schedule 30 (large)	-	708
Tariff No. 37	-	55,535

EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 20	$ 0.24	$ -
Tariff No. 39, Schedule 22	$ 0.24	$ -
Tariff No. 39, Schedule 30 (small)	$ 3.68	$ -
Tariff No. 39, Schedule 30 (large)	$ -	$ 33.50
Tariff No. 37	$ -	$ 2,627.37

*Includes 5.9% GRT
**Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Street Lighting - Weighted Average All Replacements

	Second Amended Plan Costs
Program Costs	
Tariff No. 39, Schedules 51-58, 71	$ 41,340
Billing Determinants Dec '11 thru May '13	kWh
Tariff No. 39, Schedules 51-58, 71	118,960,945
EE&C Surcharge pre-tax	$ / kWh
Tariff No. 39, Schedules 51-58, 71	$ 0.00035
EE&C Surcharge post-tax*	$ / kWh
Tariff No. 39, Schedules 51-58, 71	$ 0.00037

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Residential
Tariff No. 39, Schedule 10

Tariff No. 39, Schedule 10	
EE&C Surcharge post-tax*	$ / kWh
Residential Appliance Turn-In Program	$ 0.00014
Residential Energy Efficient Products Program	$ 0.00005
Residential Energy Efficient HVAC Equipment Program	$ 0.00002
Residential Home Performance	$ 0.00100
Critical Peak Rebate (CPR) Rate - Residential	$ 0.00006
Conservation Voltage Reduction (CVR) Program - Residential	$ 0.00010
Limited Income Energy Efficiency Program (LIEEP)	$ 0.00038
Joint Utility Usage Management Program	$ 0.00003
Total EE&C Surcharge post-tax*	$ 0.00178
Billing Determinants Dec '11 thru May '13	kWh
Tariff No. 39, Schedule 10	10,906,085,123
Average usage	kWh
Tariff No. 39, Schedule 10	988
Total EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 10	$ 1.76

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 20

Tariff No. 39, Schedule 20		
EE&C Surcharge post-tax*		$ / kWh
C/I Equipment Program - Small	$	0.00054
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	0.00003
C/I Equipment Program - Large	$	-
Customer Load Response Program	$	-
Customer Resources Demand Response Program	$	-
Distributed Generation Program	$	-
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	0.00014
Governmental Lighting	$	0.00042
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	0.00010
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.00122
Billing Determinants Dec '11 thru May '13		kWh
Tariff No. 39, Schedule 20		4,040,405,666
Average usage		kWh
Tariff No. 39, Schedule 20		2,469
Total EE&C Surcharge for average usage		$ / month
Tariff No. 39, Schedule 20	$	3.02

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 22

Tariff No. 39, Schedule 22		
EE&C Surcharge post-tax*		$ / kWh
C/I Equipment Program - Small	$	0.00073
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	0.00004
C/I Equipment Program - Large	$	-
Customer Load Response Program	$	-
Customer Resources Demand Response Program	$	-
Distributed Generation Program	$	-
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	0.00042
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	0.00010
Street Lighting - Weighted Average All Replacements	$	-
*Total EE&C Surcharge post-tax**	$	0.00128
Billing Determinants Dec '11 thru May '13		kWh
Tariff No. 39, Schedule 22		67,186,433
Average usage		kWh
Tariff No. 39, Schedule 22		2,476
Total EE&C Surcharge for average usage		$ / month
Tariff No. 39, Schedule 22	$	3.17

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 30 (small)

Tariff No. 39, Schedule 30 (small)		
EE&C Surcharge post-tax*	$ / kWh	$ / kW
C/I Equipment Program - Small	$ 0.00041	$ 0.16
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ 0.00002	$ 0.01
C/I Equipment Program - Large	$ -	$ -
Customer Load Response Program	$ -	$ 0.03
Customer Resources Demand Response Program	$ -	$ 0.10
Distributed Generation Program	$ -	$ 0.01
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -	$ -
Governmental Lighting	$ 0.00021	$ 0.08
Governmental Custom Incentives - Sch 30	$ 0.00012	$ 0.05
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$ 0.00005	$ 0.02
Street Lighting - Weighted Average All Replacements	$ -	$ -
Total EE&C Surcharge post-tax*	$ 0.00081	$ 0.46

Billing Determinants Dec '11 thru May '13	kWh	kW
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095

Average usage	kWh	kW
Tariff No. 39, Schedule 30 (small)	77,027	198

Total EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (small)	$ 153.24

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 30 (large)

Tariff No. 39, Schedule 30 (large)		
EE&C Surcharge post-tax*		$ / kW PLC
C/I Equipment Program - Small	$	(0.02)
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	0.05
Customer Load Response Program	$	0.02
Customer Resources Demand Response Program	$	0.08
Distributed Generation Program	$	0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	0.20
Governmental Custom Incentives - Sch 30	$	0.12
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	0.05
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.51
Billing Determinants Dec '11 thru May '13		kW PLC
Tariff No. 39, Schedule 30 (large)		6,609,147
Average usage		kW PLC
Tariff No. 39, Schedule 30 (large)		708
Total EE&C Surcharge for average usage		$ / month
Tariff No. 39, Schedule 30 (large)	$	362.44

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 40

Tariff No. 39, Schedule 40 EE&C Surcharge post-tax*	$ / kW PLC
C/I Equipment Program - Small	$ -
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -
C/I Equipment Program - Large	$ 0.21
Customer Load Response Program	$ 0.02
Customer Resources Demand Response Program	$ 0.09
Distributed Generation Program	$ 0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -
Governmental Lighting	$ -
Governmental Custom Incentives - Sch 30	$ -
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$ -
Street Lighting - Weighted Average All Replacements	$ -
Total EE&C Surcharge post-tax*	$ 0.34

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 39, Schedule 40	9,300,925

Average usage	kW PLC
Tariff No. 39, Schedule 40	4,297

Total EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 40	$ 1,454.07

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 41

Tariff No. 39, Schedule 41		
EE&C Surcharge post-tax*		$ / kW PLC
C/I Equipment Program - Small	$	-
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	0.20
Customer Load Response Program	$	0.03
Customer Resources Demand Response Program	$	0.10
Distributed Generation Program	$	0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	-
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	-
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.35
Billing Determinants Dec '11 thru May '13		kW PLC
Tariff No. 39, Schedule 41		278,676
Average usage		kW PLC
Tariff No. 39, Schedule 41		7,741
Total EE&C Surcharge for average usage		$ / month
Tariff No. 39, Schedule 41	$	2,717.09

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 44

Tariff No. 39, Schedule 44 EE&C Surcharge post-tax*		$ / kW PLC
C/I Equipment Program - Small	$	-
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	0.21
Customer Load Response Program	$	0.02
Customer Resources Demand Response Program	$	0.09
Distributed Generation Program	$	0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	-
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	-
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.33

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 39, Schedule 44	162,738

Average usage	kW PLC
Tariff No. 39, Schedule 44	9,041

Total EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 44	$ 3,010.14

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 46

Tariff No. 39, Schedule 46 EE&C Surcharge post-tax*	$ / kW PLC
C/I Equipment Program - Small	$ -
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -
C/I Equipment Program - Large	$ 0.21
Customer Load Response Program	$ 0.02
Customer Resources Demand Response Program	$ 0.09
Distributed Generation Program	$ 0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -
Governmental Lighting	$ -
Governmental Custom Incentives - Sch 30	$ -
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$ -
Street Lighting - Weighted Average All Replacements	$ -
Total EE&C Surcharge post-tax*	$ 0.34

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 39, Schedule 46	3,845,988

Average usage	kW PLC
Tariff No. 39, Schedule 46	106,833

Total EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 46	$ 36,302.36

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 37

Tariff No. 37 EE&C Surcharge post-tax*	$ / kW PLC
C/I Equipment Program - Small	$ -
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -
C/I Equipment Program - Large	$ 0.07
Customer Load Response Program	$ 0.02
Customer Resources Demand Response Program	$ 0.08
Distributed Generation Program	$ 0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -
Governmental Lighting	$ -
Governmental Custom Incentives - Sch 30	$ -
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$ 0.05
Street Lighting - Weighted Average All Replacements	$ -
Total EE&C Surcharge post-tax*	$ 0.23

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 37	999,630

Average usage	kW PLC
Tariff No. 37	55,535

Total EE&C Surcharge for average usage	$ / month
Tariff No. 37	$ 12,851.64

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Street & Area Lighting
Tariff No. 39, Schedules 51-58, 71

Tariff No. 39, Schedules 51-58, 71 EE&C Surcharge post-tax*		$ / kWh
C/I Equipment Program - Small	$	-
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	-
Customer Load Response Program	$	-
Customer Resources Demand Response Program	$	-
Distributed Generation Program	$	-
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	-
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	-
Street Lighting - Weighted Average All Replacements	$	0.00037
Total EE&C Surcharge post-tax*	$	0.00037

Billing Determinants Dec '11 thru May '13	kWh
Tariff No. 39, Schedules 51-58, 71	118,960,945

*Includes 5.9% GRT

West Penn Statement No. 1

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

West Penn Power Company

Docket No. M-2009-2093218

Testimony
of
Edward C. Miller

List of Topics Addressed

1. Description of and rationale for the proposed changes to the Company's EE&C Plan currently in effect.

2. Budget impacts resulting from the proposed changes to the Company's EE&C plan currently in effect

Dated: August 9, 2011

List of Exhibits

ECM-1: WPP Table 5 (Tracking of common measures included in Current and New Plans)

ECM-2: WPP Table 6 (Tracking of new measures and measures eliminated in New Plan)

ECM-3: WPP Table 4 (Program budget comparison between Current and New Plans)

Background

Q: PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. Edward C. Miller, Jr.; 631 Excel Drive, Suite 200, Mount Pleasant, PA 15666.

Q BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Allegheny Energy Service Corporation as Manager, Compliance and Development. As a result of the merger between FirstEnergy Corp. ("FirstEnergy") and Allegheny Energy, Inc. ("Allegheny"), Allegheny Energy Service Corporation is now an affiliate of FirstEnergy. I have been employed by Allegheny Energy Service Corporation or one of its predecessor companies for over seventeen years. I have held various engineering and management positions in Customer Services, Sales & Marketing, Customer Management and Energy Efficiency. I hold a Bachelor of Science degree in Electrical Engineering from the University of Pittsburgh.

Q: PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES WITHIN ALLEGHENY ENERGY SERVICE CORPORATION.

A: I am responsible for compliance and development activities related to energy efficiency and conservation ("EE&C") for the FirstEnergy utilities in Maryland, New Jersey, Ohio, Pennsylvania and West Virginia. This primarily involves the development of programs and filings to meet the FirstEnergy utilities' EE&C requirements and obligations. I report to the Director, Compliance and Reporting in FirstEnergy's Energy Efficiency Department.

Q: PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE RELEVANT TO THE TESTIMONY YOU ARE NOW GIVING.

A: I have been involved in the development of EE&C programs and filings for the utilities formerly owned by Allegheny since EE&C requirements or obligations were established

in Pennsylvania, Maryland and West Virginia. I was significantly involved in the development of West Penn's prior EE&C plans filed in earlier proceedings in this docket, being responsible for the modeling and design of the programs included in those plans. I have similar responsibilities for Potomac Edison's EE&C plan in Maryland, and Potomac Edison's and Monongahela Power's EE&C plan submitted in West Virginia.

Q. HAVE YOU PREVIOUSLY TESTIFIED AS A WITNESS BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION ("COMMISSION")?

A. Yes, I testified in support of West Penn's initial and amended EE&C Plans filed earlier in this docket.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I am supporting the proposed changes to the Company's EE&C Plan that was approved by the Commission as the Second Amended Plan in an Order entered in this docket on January 13, 2011. As clarification when I refer to the EE&C Plan that is currently in effect, I will refer to it as the "Current Plan;" and when referring to the EE&C plan that is the subject of this proceeding, I will refer to it as the "New Plan," which is attached as Exhibit A to the Petition being filed concurrent with my testimony. Instead of reiterating the contents of the New Plan in my testimony, I will, where appropriate, simply incorporate relevant passages by reference. Although I will also discuss the proposed budget changes both within and among the various customer classes, Mr. Raymond E. Valdes will be addressing in his testimony (West Penn Statement No. 2) the proposed changes to the cost recovery surcharge and the rate impacts arising from these changes.

Q. **HAVE ANY SIGNIFICANT EVENTS OCCURRED SINCE THE APPROVAL OF THE CURRENT PLAN?**

A. Yes. Since the Current Plan was approved, West Penn's parent company, Allegheny Energy, Inc. merged with FirstEnergy. This merger was approved by the Commission by Order entered February 24, 2011, and consummated on February 25, 2011.

Q. **WERE YOU INVOLVED IN THE DEVELOPMENT OF THE NEW PLAN?**

A. Yes, I was intimately involved in both the evaluation of the Current Plan's programs and the development of the New Plan, including the programs being added, retained or modified, and the measures being added, retained, or eliminated.

The New Plan's Design

Q. **PLEASE DESCRIBE THE NEW PLAN.**

A. The New EE&C Plan is structured consistent with the Commission's filing template released in the May 7, 2009 Secretarial Letter in Docket No. M-2008-2069887. Because West Penn is now part of the FirstEnergy family of Pennsylvania electric distribution companies ("EDCs"), West Penn's New Plan is designed to be more consistent with the EE&C Plans of Metropolitan Edison Company, Pennsylvania Electric Company, and Pennsylvania Power Company (collectively, "PA Companies;") (the PA Companies with West Penn will be referred to as the "FE Companies"). Except where an issue is specific to West Penn, the content of each of the Sections included in the New Plan is consistent with that included in the EE&C Plans of the PA Companies.

Q. **WHY WAS THE NEW PLAN DESIGNED THIS WAY?**

A. All of the other Pennsylvania EDCs owned by FirstEnergy, namely the PA Companies, have plans that are similar in design and format. Now that West Penn is part of the FirstEnergy family of Pennsylvania EDCs, West Penn's plan was modified to make it

more consistent with those of the PA Companies in order to (i) capitalize on the economies of scale and synergies created through common plan administration and program implementation activities; (ii) simplify Evaluation, Measurement and Verification ("EM&V") and program performance evaluations; (iii) streamline program tracking and reporting; and (iv) avoid confusion that could arise through the use of different nomenclature or program structure between West Penn and the PA Companies. As I will explain in more detail later in my testimony, the New Plan, while different in its look, is very similar in content to the Current Plan -- only with additional features.

Q. HOW ARE THE CHANGES REFLECTED IN THE NEW PLAN?

A. Because the New Plan's entire format has changed from that of the Current Plan, the Company did not red line the changes to the Current Plan. Had the Company attempted to do so, the New Plan virtually would have been a complete red line of the Current Plan, with the New Plan then added. From a practical standpoint, there is no difference between this result and simply providing a clean version of the New Plan. Instead, in order to try to minimize confusion, the Company took three distinct steps to identify all substantive changes included in the New Plan. First, Section 1.1.1 of the New Plan summarizes the nature of the changes included in the New Plan. Second, the Company intends to promptly host a stakeholder meeting so as to provide the Company with an opportunity to explain the nature of, and the reasons for, all changes being proposed and to provide interested parties with an opportunity to comment and ask questions. And third, I have attached three exhibits to my testimony -- ECM-1, ECM-2 and ECM-3 -- in an effort to highlight these changes. ECM-1, which is identical to WPP Table 5 included in the New Plan, maps all measures included in the Current Plan to the programs included in the New Plan. As you can see, except for three measures, which I will discuss later, all

measures included in the Current Plan are reflected in one of the programs in the New Plan. ECM-2, which is identical to WPP Table 6 included in the New Plan, summarizes the three measures in the Current Plan that will not be offered through the New Plan and also summarizes the additional measures that are not in the Current Plan, but will be offered through the New Plan. And ECM-3, which is identical to WPP Table 4 included in the New Plan, summarizes how the customer sector and program budgets included in the Current Plan are affected by the changes included in the New Plan and maps the programs included in the Current Plan to those included in the New Plan.

Q: PLEASE DESCRIBE THE PROCESS THAT WAS USED TO DEVELOP THE NEW PLAN.

A: The process was done in several steps. First, The EE&C team, which is comprised of myself, along with other FirstEnergy EE&C personnel familiar with the EE&C plans of all FE Companies, compared each of the programs and measures included in the Current Plan to those being offered through the EE&C plans of the PA Companies, discovering that all but several measures included in the Current Plan were being offered by both West Penn and the PA Companies. Second, these common measures were mapped to the PA Companies' program offerings. As a result, many of the programs offered under the Current Plan, were renamed and/or reorganized to be more consistent with the programs being offered through the EE&C Plans of the PA Companies. Third, the EE&C Team worked with the PA Companies' program evaluator, ADM Associates, Inc. ("ADM"), and based on (i) experience gained since the Current Plan was approved; (ii) participation results and costs from programs and measures offered by West Penn and the PA Companies; (iii) information obtained during a workshop hosted by the Commission in which the Pennsylvania EDCs shared best practices and other information related to their

respective programs; and (iv) input from ADM (collectively, "Assessment Input"), evaluated both existing and potential new measures taking into account the cost per kWh saved for each measure. Based on this analysis and evaluation, the EE&C Team selected the measures to be included in the New Plan, established participation levels and corresponding program and measure savings results, and adjusted budgets all within the confines of Act 129's statutory 2% spending cap.

Q. HOW DOES THE NEW PLAN RESEMBLE THE CURRENT PLAN?

A. As I indicated earlier, although the New Plan and Current Plan differ in their look, when the dust settles, the Current and New Plan offerings are very similar, except with enhancements included in the latter. For example, all but three measures being offered through the Current Plan are also being offered through the New Plan, with the three eliminated measures being replaced by other measures. All Current Plan programs are represented somewhere in New Plan programs, with six programs from the Current Plan remaining in tact. The total budget for the New Plan is the same as that included in the Current Plan, although budgets have been shifted, mostly within customer classes and only with very minimal budget shifts between customer classes. As a result, and as more fully discussed by Mr. Valdes, rate impacts to each customer class arising from these changes are negligible, with average bill impacts ranging from –0.4% for Tariff 37 to +0.2% for Tariff 39, Schedule 22 and 39 (street lighting). And like the Current Plan, the New Plan includes a portfolio of EE&C and demand response programs, as well as related rate offerings for residential, low income, commercial, industrial, government, school and non-profit customers, offering at least one program to each customer segment.

Changes Included in the New Plan - General

Q. HOW DOES THE NEW PLAN DIFFER FROM THE CURRENT PLAN?

A. Three measures have been eliminated, 35 new measures and one program have been added, certain administrative changes consistent with those proposed in the PA Companies' pending EE&C Amended Plans have been incorporated, program costs have been updated based on actual expenses to date, and budget dollars have been realigned, shifting funds to the programs and measures that are considered to be more effective in meeting the Company's EE&C requirements within its 2% spending cap as required by Act 129. Generally, the changes fit within one of six categories: (i) Rename/Reorganization; (ii) Measure Deletion/Addition; (iii) Program Additions; (iv) Administrative Changes; (v) Budget Updates and Adjustments; or (vi) Cost Recovery Adjustments.

Rename/Reorganization Changes

Q. PLEASE EXPLAIN THE RENAME/REORGANIZATION CHANGES.

A. In order to be more consistent with the programs being offered by the PA Companies, certain programs included in the Current Plan were renamed and certain measures being offered through the Current Plan were reorganized and are now being offered through different programs included in the New Plan. Exhibit ECM-1 maps the Current Plan measures to the New Plan programs, and Exhibit ECM-3 maps the old programs to the new programs. As examples only of how Exhibit ECM-1 works, the measures provided under the "Residential Energy Star and High Efficiency Appliance Program" included in the Current Plan have been split between the "Residential Appliance Turn-in Program" and the "Residential Energy Efficient Products Program" included in the New Plan. The CFL Compact Fluorescent Lighting ("CFL") Rewards Program included in the Current

Plan has been incorporated into the Residential Energy Efficient Products Program included in the New Plan, along with the corresponding CFL measures. And the Government Lighting Efficiency Program has been renamed "Governmental and Institutional Program."

Q. **DOES THE COMPANY AND ITS CUSTOMERS BENEFIT FROM THESE CHANGES?**

A. Yes. By making the program offerings consistent with the PA Companies' offerings, there are several significant benefits to the Company and its customers. First, the consistency among all of the FE Companies' program offerings creates synergies and economies of scale, thus reducing West Penn's cost of administrating and implementing programs. This cost reduction, in conjunction with the remodeling of programs and measures within the New Plan, reduced overall plan costs to a level that allows the Company to (i) outsource the implementation and management of many of the New Plan programs consistent with the PA Companies; (ii) offer 35 new measures; and (iii) offer one new program, all within the budget approved for the Current Plan. Therefore, because the overall plan budget did not change between the Current and New Plans, customers have more opportunities to participate in and benefit from the New Plan for the same amount of money. Second, by outsourcing to experienced vendors, West Penn believes that it can accelerate the time frame in which energy savings can be achieved, thus bringing energy savings opportunities to customers quicker, and accelerating the EE&C savings results created through the New Plan. Third, because the programs are now generally consistent throughout the entire FirstEnergy Pennsylvania footprint, common marketing and other program materials can be utilized, not only reducing the cost of such materials, but also avoiding customer confusion. West Penn borders in part

both Penn Power's and Penelec's service territories, underscoring the benefit of common marketing and program materials for use with customers who are exposed to offerings by these PA Companies.

Measure Deletions/Additions

Q. **WOULD YOU PLEASE EXPLAIN THE TYPE OF CHANGES INCLUDED IN THE MEASURE DELETION/ADDITION CATEGORY?**

A. Based on the remodeling efforts that I discussed earlier, the Company evaluated all of the measures currently being offered by West Penn and the PA Companies, retaining all but three current measures and adding 35 new measures.

Q. **WHAT THREE MEASURES WERE ELIMINATED?**

A. Based on the Assessment Input, the Company eliminated (i) Clothes Dryers; (ii) Programmable Thermostats; and (iii) Dishwasher measures.

Q. **WHY WERE THESE MEASURES ELIMINATED?**

A. These measures were eliminated for several reasons. First, the elimination of these measures streamlines sales channels and creates other synergies and benefits by making the program offerings among the FE Companies more uniform. In this instance, West Penn was the only FE Company that offered clothes dryer and programmable thermostat measures, and no EDC in proximity to West Penn offered dishwasher incentives. Additionally, neither the Clothes Dryer measure nor the programmable thermostat measure are Energy Star® rated, making identification of eligible equipment difficult for customers and vendors. Based on program implementation experience, the Company discovered that this inability to easily identify eligible equipment is frustrating for participants and creates a large hurdle that negatively impacts program implementation.

As a result of the elimination of these measures, along with the remodeling that reduced funding for less effective measures, additional funds were available which allowed the Company to make the various changes, including the addition of 35 new measures.

Q. WHAT NEW MEASURES HAVE BEEN ADDED?

A. All of the new measures being added to the New Plan are listed in Exhibit ECM-2, a schedule that identifies the measure and maps it to the program through which it will be offered under the New Plan.

Q. WHY WERE THESE MEASURES ADDED?

A. Virtually all of these measures were added because (i) they are offered by the PA Companies, thus creating the synergies and economies of scale through consistency and uniformity that I have already discussed; and (ii) each of these measures met the Company's selection criteria.

Q. PLEASE DESCRIBE THE CRITERIA USED WHEN SELECTING THE MEASURES FOR INCLUSION IN THE NEW PLAN?

A. Generally, the goal was to select measures that produced the greatest energy savings in a cost effective and timely manner, staying within the two percent spending cap, and preferably adding measures that made West Penn's program offerings more consistent with those of the PA Companies. The selection process followed the process that I described for the development of the New Plan. Section 3.1 of the New Plan also describes the process followed by the PA Companies for the measures offered by the PA Companies that are included in the New Plan.

New Program Addition – The CVR Program

Q. PLEASE EXPLAIN THE NEW PROGRAM CHANGE.

A. When modeling the New Plan, the EE&C Team concluded that in order to be put in a position to achieve their post-2011 EE&C statutory requirements, West Penn had to expand or add extremely cost effective measures to its EE&C plan. The EE&C Team reviewed the programs being offered by the Pennsylvania EDCs, looking for other measures not already identified by the team that fit this requirement; concluding that the conservation voltage reduction ("CVR") program offered by PECO did so.

Q. PLEASE DESCRIBE WEST PENN'S CVR PROGRAM.

A. The Company's CVR program is very similar to the CVR program implemented by PECO, except that the Company's program will not be system-wide and will reduce voltage by 1.5% instead of 1% as is done in the PECO program. The Company's CVR program strategically selects distribution circuits that have sufficient voltage levels to accommodate the 1.5% voltage reduction while still remaining within the voltage parameters established in 52 PA Code § 57.14(b) ("Voltage Requirements"). I view the Companies CVR Program as an optimization program that customizes voltage levels that deviate from the Company's standard operating parameters, but still remain within the Voltage Requirements while creating energy savings.

Q. HOW WILL THE CIRCUITS BE SELECTED?

A. The Company's engineers will evaluate each of the distribution circuits on the system, factoring in loading, circuit length and other operating conditions. Based on this evaluation, only those circuits that can accommodate a 1.5% voltage reduction while remaining safely within the Voltage Requirements will be selected. As part of the

implementation plan, the engineers will also complete computer modeling of the circuits to ensure that voltage levels do not drop below the Voltage Requirements.

Q. HOW OFTEN WILL THE COMPANY MONITOR THE VOLTAGE LEVELS ON THE SELECTED CIRCUITS?

A. The Company continuously monitors its distribution system through its standard practices, so any major problems on a circuit would be quickly detected. Also, voltage reductions will occur at the substation level and each of the substations where CVR will be deployed will have metering that is read monthly and can be interrogated more frequently as needed to investigate potential issues. The Company also completes substation inspections on a scheduled basis, most of which are completed monthly. As part of this inspection, readings are taken to ensure that the substation equipment is operating correctly and providing the anticipated voltage levels. Finally, some of our customers have sophisticated metering that is polled by the Company during the normal meter reads. And for those customers without such metering, it is expected that any such customer would contact the Company with any service issues, and these issues would be addressed consistent with program training and the Company's standard practices for dealing with such inquiries.

Q. HOW WILL THE COMPANY KNOW IF LOADING CONDITIONS ON A SELECTED CIRCUIT CHANGE?

A. In addition to the monitoring that I just described, the Company requires all significant operating changes at a customer's location to be reported to the Company prior to the customer making such changes. Upon customer notification, the Company's distribution engineer will review the customer request to ensure that the circuit and service equipment is capable of handling the change or, alternatively, whether any upgrades or changes to the

system or at the customer location are necessary in order to continue to provide adequate service. And, if by chance the customer fails to notify the Company prior to making any such change in operations, it is generally the customer's service that is most noticeably adversely affected first, which should prompt an inquiry after the fact.

Q. WILL THE REDUCTION IN VOLTAGE BE PERMANENT?

A. The change in voltage at the substation will be permanent, provided that the circuit conditions do not change to a point where Voltage Requirements could be compromised.

Q. WHO WILL DECIDE IF AND WHEN TO INCREASE THE VOLTAGE LEVELS ON ANY GIVEN CIRCUIT?

A. The Company's engineering department establishes the voltage levels on all of the Company's circuits and is responsible for ensuring compliance with the Voltage Requirements. The engineering department will determine if and when any change in voltage is required.

Q. HOW MUCH HAS BEEN BUDGETED FOR THIS PROGRAM?

A. The program has a budget of approximately $1 million for the Residential and Non-Residential classes, respectively.

Q. HOW WILL THESE COSTS BE ALLOCATED BETWEEN THE CLASSES?

A. Mr. Valdes explains cost allocations in his testimony in West Penn Statement No. 2.

Q. ON WHAT WILL THE FUNDS BE SPENT?

A. In addition to program administration and EM&V, the funds will be used (i) to perform limited circuit upgrades, such as the installation of capacitor banks and regulators that are necessary to support the required voltage levels on the circuit; (ii) to perform upgrades, such as the installation of larger transformers or wires, on individual customer facilities to

resolve any individual customer voltage issues; and (iii) to install metering if deemed necessary to monitor circuit conditions.

Q. WHAT ARE THE PROJECTED SAVINGS FROM THE CVR PROGRAM?

A. The CVR Program is projected to contribute over 5MW of demand savings and 45,000 MWh of energy savings towards the Company's post-2011 EE&C requirements.

Q. HOW WILL THE COMPANY DETERMINE ACTUAL EE&C SAVINGS RESULTS?

A. The Company has engaged its EM&V contractor to develop a Custom Measure Protocol that the Company will submit to the Statewide Evaluator for approval. It is expected that this protocol will be similar to the protocol approved for PECO.

Current Program Retention

Q. HAS THE COMPANY RETAINED ANY OF THE PROGRAMS INCLUDED IN THE CURRENT PLAN?

A. Yes. The Company retained the following six programs from the Current Plan: (i) Time of Use ("TOU") with Critical Peak Pricing ("CPP") Rate for Small Commercial and Industrial ("C&I") customers; (ii) Customer Load Response ("CLR") Program for Large C&I customers; (iii) Customer Resources Demand Response ("CRDR") Program for Large C&I customers; (iv) Distributed Generation Program for Large C&I customers; (v) Residential Home Performance Program; and (vi) Critical Peak Rebate ("CPR") Rate for Residential customers.

Q. HAVE ANY CHANGES BEEN MADE TO ANY OF THESE PROGRAMS?

A. Yes. As I explained earlier, all of the programs and measures have been remodeled based on the Assessment Input and actual expenses to date. Based on the results of this

remodeling, all program budgets have been updated. The budget for the CLR Program, where the Company acts as the Curtailment Service Provider, has been reduced based on its performance to date, and additional funds have been budgeted for the CRDR Program, in which third party's act as the Curtailment Service Provider within PJM's load response programs. Additionally, the CRDR Program has been modified to include both a 50-hour and voluntary option, similar to the PA Companies' demand response program offerings.

Administrative Changes

Q. WHAT TYPES OF ADMINISTRATIVE CHANGES HAVE BEEN INCLUDED IN THE NEW PLAN?

A. As part of making West Penn's New Plan consistent with the EE&C Plans of the PA Companies, West Penn incorporated into the New Plan several administrative changes that have been proposed for inclusion in the PA Companies' Amended EE&C Plans that are the subject of a February 18, 2011 filing in Docket Nos. M-2009-2092222 (Met-Ed), M-2009-2112952 (Penelec), and M-2009-2112956 (Penn Power). The PA Companies believe that these changes are necessary in order to streamline the administration of the plans generally and, more specifically, the various programs within the amended program portfolios. The first administrative change restates *all* incentive levels as ranges, thus providing the Companies with the flexibility to change incentive levels within those ranges as market conditions warrant without further Commission approval, provided that spending does not exceed the program budgets approved by the Commission. The New Plan also adds a footnote to clarify West Penn's intention to offer new measures within existing programs and approved budgets as new measures are approved for inclusion in the TRM. As designed, the Companies would not seek further Commission approval prior to making the additions, provided that the aforementioned conditions are met.

A. These changes were necessary for several reasons. First, as I have already explained, they streamline the administration of the various programs, and make the New Plan more consistent with the PA Companies' EE&C Plans, thus minimizing administration costs. More importantly, these changes build in much needed flexibility to manage the various programs. Based on recent Commission rulings, it could take 75 days or more for even minor changes to be approved through the Commission's expedited review process implemented by Order entered June 9, 2011 in Docket No. M-2008-2069887. This approach is setting the Company up for failure by (i) compressing an already small compliance window; (ii) unnecessarily increasing compliance costs by requiring the Company to spend valuable time and resources preparing requests for amendments for relatively minor plan adjustments; and (iii) hamstringing its ability to quickly adjust as market conditions warrant.

The window for compliance with post-2011 Act 129 requirements is relatively narrow, and the resources and budgets available to accomplish it are limited. Therefore these resources should not be overburdened by requiring applications to make amendments for changes that have already been addressed by the Commission. Furthermore, the preparation of these petitions and supporting materials requires outside resources, which increases compliance costs and may threaten the Company's ability to remain within the statutory 2% spending caps. And finally, the market is fluid and requires constant monitoring and "fine tuning", especially given the relative newness of most of the EE&C programs being offered in the Company's service territory. If the Company must wait for approval prior to making these minor changes, it could miss opportunities or pay more for an opportunity than the market requires.

Q. **WHY DO THE PA COMPANIES BELIEVE THAT THESE EFFORTS TO STREAMLINE THE ADMINISTRATION OF THE PLANS WILL ALLOW THEM TO MAKE THE CHANGES WITHOUT FURTHER COMMISSION APPROVAL?**

A. With regard to the use of incentive ranges, rather than fixed incentive levels, the proposed ranges are open to review in this proceeding, thus offering all interested parties the opportunity to challenge these ranges. If the Commission approves the range, then it stands to reason that any incentive level within that range has also been approved. The same is true for new measures, albeit through a different approval process. Before any new measure is added to the TRM, it must be approved by the Commission after it has been fully vetted through a separate proceeding that offers all interested parties the opportunity to challenge the measure and the savings value attributed to it. If the measure has been approved by the Commission and the use of the measure within a program does not exceed the Commission approved budget for that program, it is unclear what further review by the Commission is necessary. The submission of any of these types of changes for additional Commission approval would be redundant and a waste of time and resources for all involved, thus needlessly increasing compliance costs. With the statutory spending caps, no EDC can afford to spend money unnecessarily without jeopardizing its ability to meet post-2011 Act 129 targets.

Q. **DO YOU AGREE WITH THE PA COMPANIES' ASSESSMENT OF THE ISSUE?**

A. Yes, I do.

Q. **WHY DOES WEST PENN BELIEVE THAT THESE CHANGES ARE NECESSARY IN THE NEW PLAN?**

The Company believes that all parties have an opportunity in this proceeding to fully vet the incentive ranges included in the New Plan; and new measures and corresponding savings levels can be vetted through the TRM update process. This, when coupled with the two percent spending cap, the Commission's approval of overall program budgets and its prohibition against the shifting of funds among customer classes, provides sufficient safeguards without the need for redundant reviews of relatively minor adjustments to programs.

Q. **WHAT IS THE PROCESS THAT WOULD BE FOLLOWED WHEN A CHANGE WITHIN THE RANGE IS IMPLEMENTED?**

A. If expected levels of customer participation are not achieved, the Companies may increase the incentive levels within a range after consulting with the EE&C Team, the program administrator responsible for the subject program, and after receiving feed back through customer evaluations and the field. If participation levels exceed projections, the Company will consider scaling incentives back. And changes within ranges would not be discriminatory, but applied equally to all customers requesting incentives at the same point in time. Reviews of appropriate incentive levels would be conducted at least quarterly. Increases in rebates would be applied immediately and if there is a reduction in incentive, there will be a thirty (30) day notification to customers and vendors through the various communication channels that the Company employs -- emails, targeted meetings with customers, postal mailings, media communications, bill inserts, customer service representatives, the FirstEnergy/Company website, and community outreach programs.

Budget Impacts

Q HOW HAVE THE BUDGETS BEEN IMPACTED BY ALL OF THE CHANGES THAT YOU HAVE DESCRIBED?

A. The total portfolio budgets have not changed. The total EE&C compliance budget through May 31, 2013 for both the Current and the New Plan is $94.25 million. However, program budgets have changed and budgets both within and among customer classes have changed slightly. The budget impacts are summarized on Exhibit ECM-3, which shows how funding from programs included in the Current Plan has been reallocated to the various programs included in the New Plan.

Q. PLEASE EXPLAIN THE TABLE INCLUDED ON EXHIBIT ECM-3.

A. This table breaks out the budgets for programs included in the Current and New Plans by customer sector. The Current Plan customer sector budgets reflect a prior West Penn practice that included the total program budget within the customer sector that stands to benefit the most from the program, even if other customer sectors also participate in the program. The New Plan customer sector budgets, on the other hand, reflect a revised practice that better illustrates the customer sector budgets by allocating funds based on anticipated program and measure participation by the various customer sectors. Therefore, as I will explain later in my testimony, some of the Small Commercial and Industrial ("C&I") program budgets included in the Current Plan have been reallocated in the New Plan to reflect projected program and measure participation by Government and Large C&I customers. The budget for the entire residential class is increased by $608,000 while the non-residential customer sectors see a corresponding decrease in the same amount. The program budgets under the Current Plan included for the Residential and Large C&I sectors are also reconciled to show an increase of $930,000 in the main

residential sector budget, with a corresponding decrease in the total program budget for the Large C&I sector.

Q. WHY WAS THIS $930,000 BUDGET SHIFT MADE BETWEEN THE MAIN RESIDENTIAL AND LARGE C&I SECTORS?

A. Pursuant to a stipulation entered into as part of the settlement of the proceeding in which the Current Plan was approved, the representatives for the Residential and Large C&I customer sectors agreed to shift $930,000 from the Large C&I budget to the Residential budget. Because of the time frame in which the agreement was reached and the relatively small amount involved, the affected parties and the Company agreed to leave the program budgets as ultimately proposed in the Current Plan, with the understanding that these budgets would be updated to reflect this cost shift between these two customers sectors when the Company next modified its EE&C plan. The filing of the New Plan creates the first opportunity to make such an update. However, in order to allow interested parties to tie into and track to Current Plan program budgets, the individual program budgets set forth for the Current Plan on Exhibit ECM-3 were not adjusted in this filing but, instead were adjusted at the customer sector level as evidenced by the separate line item on which the Residential sector budget has been increased by $930,000 and the Large C&I sector budget has been reduced by $930,000.

Q. WERE THE RESIDENTIAL BUDGETS IMPACTED IN ANY OTHER WAY BY THE CHANGES BEING PROPOSED IN THE NEW PLAN?

A. As you can see, the residential sector (including low income) has a total budget increase of approximately $608,000, after reflecting the $930,000 cost shift. Virtually all of this budget increase was used to fund the residential portion of the CVR program, which has a budget (for all residential) of approximately $1 million. As Witness Valdes explains in

his testimony, the average total bill impact to Residential Schedule 10 customers from this $608,000 shift in funds is zero. The remainder of the residential portion of the CVR budget was taken from other residential programs. Within the programs, the budgets for the Residential Energy Star, CFL and Residential Whole Home Appliance programs (totaling approximately $23 million) is funding the Residential Appliance Turn In, Residential Energy Efficient Products and the Residential HVAC programs (totaling approximately $17 million), with the remaining $6 million being shifted to the Residential Home Performance Program, which has a budget increase of $6.7 million, in order to pay for additional residential energy efficiency kits which have proven to be very popular.

In the low income sector programs, the Residential Low Income Home Performance budget of $5.5 million was increased by $1.8 million to $7.3 million for the renamed Limited Income Energy Efficiency Program in order to pay for additional measures, such as CFLs and Smart Strips (to be provided in conjunction with the Company's Low Income Usage Reduction Program) and energy efficiency kits (to be offered to multi-family and low usage customers). This budget increase was paid for by reducing by $2.2 million the Residential Joint Utility Management Program ("JUMP") budget, which has not performed up to expectations, with the remainder of the JUMP budget reduction used to fund the Residential Low Income portion of the CVR program. With these changes, even though the budget for the low income sector has been reduced by $143,000, these customers have access to more measures that provide them with more opportunities to reduce their electric bills.

Q. PLEASE EXPLAIN THE IMPACTS ON THE TOTAL PROGRAM BUDGETS FOR THE SMALL C&I SECTOR.

A. As indicated on ECM-3, the Custom Technology, Commercial Products and Commercial HVAC programs (collectively "Former SC&I Programs") have been consolidated into the C/I Equipment Program – Small ("SC&I Equipment Program"). The budget for the Former SC&I Programs was approximately $24.9 million. $21.3 million of this budget was allocated to the SC&I Equipment Program, $2.2 million was reclassified to the Government sector, $600,000 was allocated to the Small C&I portion of the new CVR program, $100,000 was allocated to the Government portion of the new CVR program, with the remainder going towards the overall increase to the Residential Sector Program budget.

Q. IS THERE A COST SHIFT BETWEEN THE SMALL C&I AND GOVERNMENT SECTORS?

A. No. Although it appears that there is a cost shift between these two sectors, this is somewhat misleading because of the Company's previous practice to reflect total program budgets in the customer sector that stands to benefit the most from the program, even though other customer sectors may also participate in the program. In this instance, the program budgets for the Former SC&I Programs were included in the Small C&I sector, even through Large C&I and Government customers also participated in these programs. The $2.2 million increase in the Government Sector program budgets included in the New Plan includes measures and associated program costs originally in the Small C&I budget that are expected to be incurred by Government customers in the Government and Institutional Program.

Q. HOW CAN YOU BE CERTAIN THAT THERE IS NO CROSS SUBSIDIZATION

OCCURRING BETWEEN THE SMALL C&I AND GOVERNMENT SECTORS?

A. The $2.2 million difference exists solely for program budget purposes but not for cost recovery purposes. As Witness Valdes explains in his testimony, costs are aligned with the customer class through the various rate schedules that receives the direct energy and conservation benefits. Therefore, even under the Current Plan, costs have been allocated to Government customers through the various rate schedules based on the cost allocation process described by Witness Valdes. One need only review the bill impacts included in Witness Valdes' testimony to see that even with the $2.2 million reclassification to the government sector, the average bill impacts for both the Small C&I and Government sectors are negligible.

Q. HOW HAS THE BUDGET FOR THE LARGE C&I CLASS BEEN AFFECTED BY THE PROPOSED CHANGES INCLUDED IN THE CURRENT PLAN?

A. The budget for the Large C&I class has a nominal $8,000 increase.

Q. HOW CAN THIS BE GIVEN THE NET CHANGES IN PROGRAM BUDGETS WITHIN THAT SECTOR?

A. As I explained earlier in my testimony, the program budgets for each program within the Current Plan Large C&I sector reflect the budgets before the $930,000 budget reduction is factored in. Therefore, the individual program budgets as reflected in the Current Plan are overstated by $930,000. However, the program budgets included in the New Plan reflect the $930,000 budget reduction. As I also already explained, a significant portion of the increase in the CRDR program is funded by the decrease in the CLR program,

while the $280,000 for the Large C&I portion of the new CVR program is being funded through nominal budget reductions in other Large C&I programs.

Q. HOW HAS THE BUDGET FOR THE GOVERNMENT CLASS BEEN AFFECTED BY THE PROPOSED CHANGES INCLUDED IN THE CURRENT PLAN?

A. As I already explained, this class' budget has increased by $2.2 million, which is offset by the $2.8 million reduction in the Small C&I budget. As you can see on ECM-3, the Government Lighting program under the Current Plan has been renamed and is referred to as the Government and Institutional Program in the New Plan. The budget has been increased by $2.1 million.

Q. IS THE $2.1 MILLION INCREASE IN THE BUDGET UNDER THE NEW PLAN A RESULT OF THE RECLASSIFICATION OF FUNDING THAT YOU DESCRIBED AS PART OF YOUR EXPLANATION OF THE SMALL C&I PROGRAM BUDGETS?

A. Partly. But as you can see on Exhibit ECM-2, the New Plan also includes three new measures -- street lighting, master metered HUD housing CFLs and C&I energy audits. The Company was able to do this because, in addition to reclassifying the Small C&I budget to better reflect actual program and measure projections per customer sector, the Company, as part of its reevaluation of all measures, updated participation and savings projections, reducing them for some of the measures included in the Former SC&I Programs. In so doing, additional funds became available in the budget to allow the Company to offer these new measures.

Q. **BASED ON THE EE&C TEAM'S ANALYSIS, CAN WEST PENN MEET ITS ACT 129 POST-2011 EE&C REQUIREMENTS WITHOUT THE CHANGES THAT YOU HAVE DESCRIBED?**

A. No. Based on information known today, the proposed changes included in the New Plan, especially the new measures and new CVR program, put the Company in a position to achieve its post-2011 EE&C requirements. Without timely approval of the changes included in the New Plan, the Company will not achieve these requirements.

Q. **DOES THE PROGRAM PORTFOLIO INCLUDED IN THE NEW PLAN PASS THE COMMISSION'S TRC TEST?**

A. Yes, the New Plan passes the TRC test both on a comprehensive portfolio basis and at the customer sector level, as demonstrated in PUC Table 1 of the New Plan.

Q: **DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

A: Yes, it does.

WPP Table 5 : Common Program Measures

Common Measures	Current Plan Program (09-10-2010)	New Plan Program
Residential		
Refrigerator - Freezer Recycling	Residential Energy Star & High Efficiency Appliance Program	Residential Appliance Turn-In Program
Room Air Conditioner Recycling		
Clothes Washer Energy Star		Residential Energy Efficient Products Program
Refrigerators-Freezers Energy Star		
Room Air Conditioners		
CFLs	Compact Flourescent Lighting (CFL) Rewards Program	
Energy Star Water Heater	Residential Whole Home Appliance Efficiency Program	Residential Energy Efficient HVAC Equipment Program
Air Source Heat Pump		
Central Air Conditioning		
Ground Source Heat Pump		
HVAC - Maintenance		
On Line Audit/EE Kits	Residential Home Performance Program	Residential Home Performance Program
Home Audits w/ direct installed measures		
Whole Building Audit (Test-In)		
Roof Insulation		
Multiple Family - CFLs		
Behavior Modification		
CFLs Promotional		Residential Energy Efficient Products Program
Critical Peak Rebate	Critical Peak Rebate (CPR) Rate	Critical Peak Rebate (CPR) Rate - Residential
Residential Low Income		
Joint Utility Usage Management Program	Residential Joint Utility Usage Management Program	Joint Utility Usage Management Program
Audits with Direct Install Measures	Residential Low Income Home Performance Check-Up Audit & Appliance Replacement Program	Limited Income Energy Efficiency Program (LIEEP)
Appliance Replacement	Residential Low Income Home Performance Check-Up Audit & Appliance Replacement Program	Limited Income Energy Efficiency Program (LIEEP)
Small Commercial & Industrial		
Custom Projects[2]	Custom Technology Applications Program	C/I Equipment Program - Small
T8 Lighting[1]	Commercial Products Efficiency Program	
T5 Lighting[1,2]		
Occupancy Sensors[1]		
LED Exit Signs		
Plug Load Controls		
CFLs		
HVAC - Maintenance	Commercial HVAC Efficiency Program	
Time of Use Critical Peak Pricing	Time of Use (TOU) with Critical Peak Pricing Rate	Time of Use (TOU) with Critical Peak Pricing (CPP) Rate
Large Commercial & Industrial		
Custom Projects	Custom Applications Program	C/I Equipment Program - Large[1]
Customer Load Response	Customer Load Response Program	Customer Load Response Program
Customer Resources Demand Response	Customer Resources Demand Response Program	Customer Resources Demand Response Program
Distributed Generation	Distributed Generation Program	Distributed Generation Program
Governmental		
CFLs	Governmental Lighting Efficiency Program	Governmental and Institutional Program[2]
T8 Lighting		
LED Exit Signs		
LED Auto Traffic Signals		
LED Pedestrian Signals		

1. Measure also included in C/I Equipment Program - Large
2. Measure also included in Governmental and Institutional Program

WPP Table 6 - Proposed New and Removed Program Measures	
New Measures	
Measures	**New Program**
Residential	
Energy Star Dehumidifiers	Residential Energy Efficient Products Program
Holiday Lights	
Variable Speed Pool Pump	
Smart Strip Plug Outlet	
Torchiere Floor Lamps	
Energy Star Televisions	
Energy Efficient Water Heater	
Furnace Fans	Residential Energy Efficient HVAC Equipment Program
Pool Pump Reprogramming	Residential Home Performance Program
Energy Star Windows	
Duct Sealing	
Residential Low Income	
Extra Measures to LIURP (Incl CFLs, Smart Strips)	Limited Income Energy Efficiency Program (LIEEP)
EE Kits (Incl Multi Family and Low Usage)	
Small Commercial & Industrial	
AntiSweatHeater Controls	C/I Equipment Program - Small
Energy Star Commercial Solid Door Freezers	
Energy Star Commercial Solid Door Refrigerators	
Energy Star Ice Machines	
Energy Star Steam Cookers	
Energy Efficient Water Heater	
Direct Install Suite	
Pre Rinse Sprayers	
Strip Curtains	
Vending Equipment Controller	
VFD's - Water Pumps	
VFD's - HVAC Fans	
VFD's - Air Compressors	
Master Metered Multifamily CFLs	
Air Conditioning	
Evaporator Fan ECM Motors	
Large Commercial & Industrial	
VFD's - Water Pumps	C/I Equipment Program - Large
VFD's - HVAC Fans	
VFD's - Air Compressors	
Governmental	
Street Lighting	Governmental and Institutional Program
Master Metered Multifamily CFLs	
Commercial, Industrial Audits	
Removed Measures	
Measures	**Current Program (09-10-2010)**
Clothes Dryers	Residential Energy Star & High Efficiency Appliance Program
Programmable Thermostats	
Dishwashers	

Exhibit ECM-3

WPP Table 4 - Plan Program Budget Comparison

Current Plan (As filed 09-10-2010, see Note 1)		New Plan		Net Change
Residential				
Residential Energy Star & High Efficiency Appliance Program	$18,873,857	Residential Appliance Turn-In Program	$3,145,231	
Compact Fluorescent Lighting (CFL) Rewards Program	$3,203,878	Residential Energy Efficient Products Program	$11,783,867	
Residential Whole Home Appliance Efficiency Program	$3,212,873	Residential Energy Efficient HVAC Equipment Program	$2,196,347	
Residential Home Performance Program	$9,639,098	Residential Home Performance Program	$10,331,872	
Critical Peak Rebate (CPR) Rate	$1,492,688	Critical Peak Rebate (CPR) Rate - Residential	$1,513,922	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$832,218	
Stipulation Adjustment (See Note 1)	$930,000	N/A	N/A	
Sub Total	$35,052,392	Sub Total	$35,803,256	$750,864
Residential Low Income				
Residential Low Income Home Performance Check-Up Audit & Appliance Replacement Program	$5,494,402	Limited Income Energy Efficiency Program (LIEEP)	$7,315,076	
Residential Joint Utility Usage Management Program	$6,730,519	Joint Utility Usage Management Program	$4,558,515	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$208,054	
Sub Total	$12,224,921	Sub Total	$12,081,645	-$143,276
TOTAL RESIDENTIAL	$47,277,284	TOTAL RESIDENTIAL	$47,884,902	$607,618
Small Commercial & Industrial				
Custom Technology Applications Program	$7,349,682	C/I Equipment Program - Small	$21,333,306	
Commercial Products Efficiency Program	$10,300,747			
Commercial HVAC Efficiency Program	$2,202,113			
Time of Use (TOU) with Critical Peak Pricing Rate	$818,047	Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$695,050	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$550,151	
Sub Total	$25,670,590	Sub Total	$22,808,507	-$2,862,082
Large Commercial & Industrial				
Custom Applications Program	$10,780,020	C/I Equipment Program - Large	$9,184,429	
Commercial Products Efficiency Program	Included Above			
Customer Load Response Program	$2,450,280	Customer Load Response Program	$1,811,548	
Customer Resources Demand Response Program	$3,255,443	Customer Resources Demand Response Program	$4,184,687	
Distributed Generation Program	$684,171	Distributed Generation Program	$808,477	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$280,073	
Stipulation Adjustment (See Note 1)	-$930,000	N/A	N/A	
Sub Total	$16,240,814	Sub Total	$16,249,194	$8,380
Governmental				
Governmental Lighting Efficiency Program	$5,061,304	Governmental and Institutional Program	$7,207,383	
N/A	N/A	Conservation Voltage Reduction (CVR) Program	$100,026	
Sub Total	$5,061,304	Sub Total	$7,307,389	$2,246,084
TOTAL NON-RESIDENTIAL	$46,972,708	TOTAL NON-RESIDENTIAL	$46,365,090	-$607,618
CURRENT PLAN TOTAL	$94,249,992	NEW PLAN TOTAL	$94,249,992	

NOTE 1 - By Stipulation entered into between West Penn and the West Penn Power Industrial Intervenors ("WPPII"), dated December 2, 2010, and approved by the Commission on January 13, 2011, the Company agreed to reduce the budget of the Custom Applications Program by $930,000 and to increase the budget for certain Residential programs by $930,000. The customer sector level budgets reflected in this table have been adjusted to include this agreed upon budget reallocation.

West Penn Power Statement No. 2

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

WEST PENN POWER COMPANY
Docket No. M-2009-2093218

ENERGY EFFICIENCY AND CONSERVATION PLAN

Testimony
Of
Raymond E. Valdes

List of Topics Addressed

Cost Recovery and Reconciliation of
Energy Efficiency and Conservation Program Costs

Dated: August 9, 2011

List of Exhibits

REV-1: Energy Efficiency and Conservation Surchare

Introduction and Background

Q. Please state your name and business address.

A. My name is Raymond E. Valdes, and my business address is 800 Cabin Hill Drive, Greensburg, Pennsylvania 15601.

Q. By whom are you employed and in what capacity?

A. I am employed by Allegheny Energy Service Corporation as Advisor for Rates and Regulatory Affairs – Pennsylvania. As a result of the merger between Allegheny Energy, Inc. and FirstEnergy Corp. ("FirstEnergy"), Allegheny Energy Service Corporation is now an affiliate of FirstEnergy. The Pennsylvania Rates and Regulatory Affairs Department provides regulatory support for FirstEnergy's Pennsylvania electric distribution companies ("EDCs"): Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company ("West Penn" or "Company") (collectively "FE Companies"). I report to the Director, Rates and Regulatory Affairs – Pennsylvania and I am responsible for the development, coordination, preparation and presentation of the retail tariffs and the development of retail electric rates, rules and regulations; the development of default service plans; the development and preparation of certain accounting and financial data; and the development and preparation of certain reports to the Pennsylvania Public Utility Commission ("PUC" or "Commission") for all of the FE Companies.

Q. Please describe your educational and professional background.

A. I am a graduate of the University of Pittsburgh where I earned a Bachelor of Science degree in Electrical Engineering. I have been employed by Allegheny Energy Service Corporation or one of its predecessor companies for over 20 years, and have held positions of Engineer, Power Services; Engineer, Rates; Regulatory Specialist; Senior Consultant; General Manager, Retail Pricing Services; and my current position of Advisor.

Q. On whose behalf are you testifying in this proceeding?

A. I am testifying on behalf of West Penn.

Q. Have you previously testified in this proceeding?

A. Yes. I previously provided Direct, Reply and Rebuttal Testimony in an earlier part of this proceeding in which West Penn's Energy Efficiency and Conservation ("EE&C") Plan that is currently in effect was approved. For clarification, when I refer to West Penn's EE&C Plan currently in effect, I will refer to it as the "Current Plan". And when I refer to West Penn's EE&C plan that is the subject of this proceeding, I will refer to it as the "New Plan".

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to sponsor changes to the rates included in West Penn's EE&C Surcharge tariff that result from an updated sales forecast and modifications to the

EE&C program costs expected to be incurred through the New Plan. The EE&C Surcharge appears in West Penn's Tariff No. 37 and Tariff No. 39. Tariff No. 37 sets forth the rates, rules and regulations for electric service to The Pennsylvania State University's main campus in and near the Borough of State College, Pennsylvania ("Penn State"); whereas Tariff No. 39 sets forth the rates, rules and regulations for electric service to all other retail customers served by West Penn.

Cost Recovery and Reconciliation

Q. Does West Penn currently have a cost recovery mechanism in place to recover the costs associated with the development and implementation of EE&C programs?

A. Yes. As permitted by Act 129 and 66 Pa. C.S. § 1307, and approved by the Commission by order entered October 23, 2009, along with subsequent orders entered on March 1, 2010, June 23, 2010, and January 13, 2011, West Penn has in place an EE&C Surcharge tariff to recover the costs associated with the development and implementation of the EE&C programs included in the Current Plan.

Q. Please identify the tariffs and rate schedules that apply to each EE&C target customer class.

A. With the exception of the Tariff No. 39 residential class and Penn State's Tariff No. 37, West Penn does not have rate schedules dedicated solely to the target market of commercial, industrial, government, school or non-profit customers. Instead, the non-

residential rate schedules of Tariff No. 39 are available based upon customer electrical size and service voltage. However, the Tariff No. 39 rate schedules can generally be grouped into the following customer classes:

- *Residential* - consisting of customers served on Schedule 10.
- *Commercial* - consisting of customers served on Schedules 20, 22 and Schedule 30 with billed demands less than 500 kilowatts ("kW").
- *Industrial* - consisting of customers served on Schedule 30 with a billed demand of 500 kW or greater, and Schedules 40, 41, 44 and 46. For purposes of the EE&C programs, Penn State's Tariff No. 37 is classified similar to the industrial rate schedules of Tariff No. 39.

Government, school and non-profit customers are served on suitable Tariff No. 39 rate schedules based upon the size of their electrical load and service voltage. With the addition of new measures included in the New Plan that Witness Miller discusses in his testimony (West Penn Statement No. 1), the government sector now also includes street and area lighting customers served on Tariff No. 39, Schedules 51, 52, 53, 54, 55, 56, 57, 58 and 71. These are reasonable classifications of tariffs and rate schedules to customer classes since it provides a reasonable matching of EE&C programs with the customer class or rate schedule/tariff generally intended to benefit from the programs.

Q. How are EE&C program costs allocated to the various tariffs and rate schedules?

A. EE&C program costs have been separated into costs for both the Current and New Plans. Costs incurred under the Current Plan are allocated to the various tariffs and rate schedules based upon the allocation approved in the Commission's Order entered January 13, 2011 in Docket No. M-2009-2093218 and the Commission Secretarial Letter dated

May 19, 2011 in Docket No. M-2011-2237573. Like the Current Plan, residential program costs incurred for programs included in the New Plan will be allocated to residential customers served on Schedule 10. Non-residential EE&C program costs for programs included in the New Plan will be allocated to non-residential customers based on the same guidelines as the target market and the previously discussed rate schedule/tariff customer class groupings, thus aligning cost recovery with the customer class that will receive the direct energy and conservation benefits. A summary of the non-residential EE&C program cost allocations that will be applied in the New Plan is provided in Table 1 below:

Table 1

Tariff Classification	C/I Equipment Program - Small	Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	C/I Equipment Program - Large	Customer Load Response Program	Customer Resources Demand Response Program	Distributed Generation Program	Governmental LED Traffic/Pedestrian Signals	Governmental Lighting	Governmental Custom Incentives	Conservation Voltage Reduction (CVR) Program	Street Lighting
Tariff No. 39, Schedule 20	X	X					X	X		X	
Tariff No. 39, Schedule 22	X	X						X		X	
Tariff No. 39, Schedule 30 (small)	X	X		X	X	X		X	X	X	
Tariff No. 39, Schedule 30 (large)	X		X	X	X	X		X	X	X	
Tariff No. 39, Schedule 40			X	X	X	X					
Tariff No. 39, Schedule 41			X	X	X	X					
Tariff No. 39, Schedule 44			X	X	X	X					
Tariff No. 39, Schedule 46			X	X	X	X					
Tariff No. 37			X	X	X	X				X	
Tariff No. 39, Schedules 51-58, 71											X

Q. Are customers precluded from participating in a program if costs from that program are not allocated to the tariff or rate schedule through which they receive service?

A. Generally speaking, the tariff and rate schedule allocation is designed so that customers pay for the programs in which they are likely to participate. However, even if costs of a program are not presently allocated to a given rate schedule/tariff, customers are still eligible to participate. Should it be determined that the number of customers participating in a given program that has not been allocated costs becomes material, a redesigned allocation methodology will be included in the reconciliation so that EE&C program costs are being recovered from those customers who benefit from the programs to which the costs pertain.

Q. The Company is adding a new Conservation Voltage Reduction ("CVR") program. How will costs be allocated under this program?

A. The costs will be allocated consistent with the methodology that I already explained. Because this is a distribution circuit related program, no costs are being allocated to Schedules 40, 41, 44 and 46 since customers on these rate schedules typically receive service at sub-transmission or transmission voltages. In addition, costs are not allocated to street and area lighting Schedules 51, 52, 53, 54, 55, 56, 57, 58 and 71 since customers on these rate schedules will not benefit from the CVR program.

Q. Please describe the EE&C Surcharge.

A. For the residential class and the commercial customer class served on Schedules 20 and 22, the EE&C Surcharge is expressed as a price per kilowatt-hour ("kWh"). For the commercial customer class served on Schedule 30 with billed demands less than 500 kW, the EE&C Surcharge is expressed as a price per kWh and a price per kW, using the billed kW as the demand basis. For the industrial customer class, the EE&C Surcharge is expressed as a price per kW using a customer's PJM Interconnection, L.L.C. peak load contribution as the demand basis. The EE&C Surcharge is calculated and listed separately in Penn State's Tariff No. 37 and for each applicable rate schedule in Tariff No. 39. For bill presentation purposes, the EE&C Surcharge for residential customers is recovered as an addition to the currently approved distribution rates; whereas the EE&C Surcharge is a separately stated line-item bill surcharge for all other classes of customers. Nothing described above has changed from the Commission-approved Current Plan to the proposed New Plan.

Q. How will the EE&C Surcharge be expressed for the street and area lighting customers?

A. The EE&C Surcharge for these customers will be expressed as a price per kWh and will be a separately stated line-item bill surcharge.

Q. Are you proposing any changes to the method of pricing the EE&C Surcharge or the presentation on the customer's bill?

A. No. While the rates being charged under the EE&C Surcharge are changing based upon updated program cost estimates and updated sales and revenue forecasts, the methodology used to calculate the surcharge is not changing. Costs are still being allocated to the applicable rate schedule/tariff based on the nature of the EE&C program and the customer classes that are expected to benefit from these programs. The proposed rates included in the EE&C Surcharge set forth in Exhibit REV-1 were calculated using the methodology approved by the Commission when it approved the Current Plan.

Q. How often are the EE&C Surcharge rates designed to be changed?

A. Although the EE&C Surcharge was designed on a levelized basis through May 31, 2013, West Penn has annually reconciled this charge, filing by each March 31: (1) a comparison between forecasted EE&C Surcharge revenues billed and actual revenues billed through February of the given year, as adjusted for removal of gross receipts tax; (2) any adjustment to the forecasted EE&C Surcharge revenues anticipated to be billed during March through May of the given year, as adjusted for removal of gross receipts tax; (3) any adjustment to the costs levelized through May 2013 based upon actual costs incurred through February of the given year and any revised estimates for future months, up to the amount permitted to be recovered under Act 129; and (4) the subsequent reconciliation effect to the EE&C Surcharge adjusted for gross receipts tax, and levelized over the period of June 1 of the given year and continuing through May 31, 2013. West

Penn will perform a similar reconciliation in March, 2012 and then, consistent with the EE&C Surcharge tariff, perform a final reconciliation after May 31, 2013.

Q. Are you proposing any changes to the annual reconciliation mechanism or regulatory accounting already approved by the Commission?

A. No. The annual reconciliation mechanism and regulatory accounting is identical to that previously authorized and approved by the Commission, including a no interest policy for any over/under-collections as ordered by the Commission in its October 23, 2009 Order in this proceeding.

Q. Is West Penn proposing any changes to the EE&C Surcharge rates at this time?

A. Yes. The specific calculations of the proposed EE&C Surcharge on a rate schedule/tariff basis are contained in Appendix H of West Penn's New Plan, which is also attached to my testimony as Exhibit REV-1. The change in the EE&C Surcharge is due to an updated revenue requirement per rate schedule/tariff, actual sales and EE&C Surcharge revenues through June 2011, forecasted EE&C Surcharge revenues through November 2011, and an updated sales forecast through May 31, 2013. Exhibit REV-1 also includes a pro-forma EE&C Surcharge tariff for Penn State's Tariff No. 37 and for Tariff No. 39 with new EE&C Surcharge rates incorporated therein.

Q. **Does the EE&C Surcharge reflect the $6.19 million credit to commercial rate schedules and Penn State resulting from an agreement reached during the merger between FirstEnergy and Allegheny Energy, Inc?**

A. Yes. Paragraph 18 of the Joint Petition For Partial Settlement at Docket Nos. A-2010-2176520 and A-2010-2176732, regarding the FirstEnergy-Allegheny merger, which was approved as modified by the Commission by Order adopted February 24, 2011, states:

> *"West Penn will provide a credit equal to the increase in Energy Efficiency & Conservation ("EE&C") costs to Rate Schedules 20, 22, 30 Small and 30 Large and Rate Tariff 37 resulting from West Penn's revised EE&C Plan. For purposes of this settlement, the increase in EE&C costs shall be deemed to be $6.19 million and shall be allocated to each rate schedule based on the percentage of such rate schedule's share of the total increase in EE&C costs by the rate schedules listed herein."*

As indicated on page 5 of Exhibit REV-1, the EE&C Surcharge continues to reflect the $6.19 million credit using the identical credit amounts per rate schedule/tariff contained in West Penn's annual reconciliation filing submitted on March 31, 2011 and approved by Commission Secretarial Letter dated May 19, 2011 in Docket No. M-2011-2237573.

Q. When does West Penn want the proposed rate changes to take effect?

A. For purposes of calculating the new rates included in the EE&C Surcharge, they were modeled assuming an effective date of December 1, 2011. West Penn is asking the Commission to allow these rates to be effective on one day's notice after the Commission issues its Order in this case approving the amendments proposed in the New Plan, regardless of whether that occurs on November 30, 2011.

Q. How is the EE&C Surcharge affected if the New Plan is not approved on November 30, 2011?

A. Based on West Penn's request, the EE&C Surcharge would not be affected by the approval date. The same rate would go into effect regardless of when the Commission issues its Order in this proceeding. And since the EE&C Surcharge is scheduled to change on June 1, 2012, the previously described annual reconciliation mechanism would account for any difference between a December 1, 2011 effective date and the actual effective date of the EE&C Surcharge rate change. Given the negligible impacts on customer bills, such an approach should not result in any material over/under collection during this time frame.

Q. What are the anticipated customer bill impacts from the proposed changes in the EE&C Surcharge?

A. Table 2 lists the estimated customer bill impacts from the proposed changes in the EE&C Surcharge based upon current rates and average customer energy and demand

consumption. In my opinion, these impacts are negligible and therefore reasonable and should not materially impact any customer rate schedule/tariff.

Table 2

Tariff Classification	Avg Total Bill Impact of EE&C Rate Change
Tariff No. 39, Schedule 10	0.0%
Tariff No. 39, Schedule 20	0.0%
Tariff No. 39, Schedule 22	0.2%
Tariff No. 39, Schedule 30 (small)	0.1%
Tariff No. 39, Schedule 30 (large)	-0.1%
Tariff No. 39, Schedule 40	-0.1%
Tariff No. 39, Schedule 41	0.0%
Tariff No. 39, Schedule 44	-0.1%
Tariff No. 39, Schedule 46	-0.1%
Tariff No. 37	-0.4%
Tariff No. 39, Streetlighting	0.2%

Q. With the newly proposed charges, is West Penn still within the 2% spending cap required by Act 129?

A. Yes. Based on 2006 revenues, West Penn's spending cap is $94.25 million through May 31, 2013. With the proposed changes included in the New Plan, the projected aggregated EE&C compliance costs will be $94.25 million during this same time period excluding: (i) Low Income Usage Reduction Programs pursuant to 52 Pa. Code § 58; (ii) expenditures included in the Company's Consumer Education Program Cost Recovery Rider pursuant to Docket No. M-2008-2032275; and (iii) costs associated with funding

the Statewide Evaluator, as directed by the Commission in its October 23, 2009 Order in Docket No. M-2009-2093218.

Q. Does this conclude your testimony?

A. Yes, it does.

Supplement No. ___ to
Electric-Pa. P. U. C. No. 39
_____ Revised Page No. 5-9
WEST PENN POWER COMPANY Canceling _____ Revised Page No. 5-9

ENERGY EFFICIENCY AND CONSERVATION ("EE&C") SURCHARGE

In addition to the charges provided in this Tariff and in accordance with 66 Pa. C.S. §2806.1, there shall be a surcharge as set forth below to recover the costs associated with Company-sponsored programs for energy efficiency and conservation programs as approved by the Commission. This surcharge is applied to designated Rate Schedules to recover costs allocated to that Rate Schedule. This surcharge will be applied each month until changed by the Commission. The resulting surcharge is in addition to any minimum charge set out in the Rate Schedule and is added to the Customer's bill before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late payment charges.

CALCULATION OF SURCHARGE

The EE&C Surcharge is calculated as a levelized surcharge through May 2013. The surcharge is calculated by separating the Program Costs allocated to each Rate Schedule into an energy-related portion and a demand-related portion, and dividing by forecasted distribution energy and distribution demand sales, respectively, for the same Rate Schedule. The calculation includes an Annual Reconciliation Factor adjustment and an adjustment for gross receipts tax. The Annual Reconciliation Factor adjustment will be filed by March 31 to become effective the forthcoming June 1. Upon determination that the surcharge, if left unchanged, would result in a material over/under-collection, the Company may file a proposed interim revision of the surcharge for Commission approval.

For Customers receiving service under Schedule 10, the EE&C Surcharge is added to the Distribution Charge for billing purposes. For all other Customers, the EE&C Surcharge shall be set out separately on the Customer's bill.

Bills shall include an amount equal to the surcharge rate times the number of distribution energy and capacity sales as follows:

EE&C SURCHARGE

Rate Schedule	Rate per kWh	Rate per kW	Rate per kW PLC	
10	$0.00178			(I)
20	$0.00122			(D)
22	$0.00128			(I)
30 (small)*	$0.00081	$0.46		(D)(I)
30 (large)*			$0.51	(D)
40			$0.34	(D)
41			$0.35	(D)
44			$0.33	(D)
46			$0.34	(D)
51 thru 58, 71	$0.00037			(N)

*Rate Schedule 30 (small) defined as Customers receiving service under Rate Schedule 30 with a Kilowatt Demand less than 500 kilowatts, and Rate Schedule 30 (large) defined as Customers receiving service under Rate Schedule 30 with a Kilowatt Demand greater than or equal to 500 kilowatts. The Company will categorize Customers as those with Kilowatt Demands less than 500 kilowatts and those with a Kilowatt Demand greater than or equal to 500 kilowatts.

(I) Indicates Increase
(D) Indicates Decrease
(N) Indicates New

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ENERGY EFFICIENCY AND CONSERVATION ("EE&C") SURCHARGE

In addition to the charges provided in this Tariff and in accordance with 66 Pa. C.S. §2806.1, there shall be a surcharge as set forth below to recover the costs associated with Company-sponsored programs for energy efficiency and conservation programs as approved by the Commission. This surcharge is applied to designated Rate Schedules to recover costs allocated to that Rate Schedule. This surcharge will be applied each month until changed by the Commission. The resulting surcharge is in addition to any minimum charge set out in the Rate Schedule and is added to the Customer's bill before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late payment charges.

CALCULATION OF SURCHARGE

The EE&C Surcharge is calculated as a levelized surcharge through May 2013. The surcharge is calculated by separating the Program Costs allocated to each Rate Schedule into an energy-related portion and a demand-related portion, and dividing by forecasted distribution energy and distribution demand sales, respectively, for the same Rate Schedule. The calculation includes an Annual Reconciliation Factor adjustment and an adjustment for gross receipts tax. The Annual Reconciliation Factor adjustment will be filed by March 31 to become effective the forthcoming June 1. Upon determination that the surcharge, if left unchanged, would result in a material over/under-collection, the Company may file a proposed interim revision of the surcharge for Commission approval.

For Customers receiving service under Schedule 10, the EE&C Surcharge is added to the Distribution Charge for billing purposes. For all other Customers, the EE&C Surcharge shall be set out separately on the Customer's bill.

Bills shall include an amount equal to the surcharge rate times the number of distribution energy and capacity sales as follows:

EE&C SURCHARGE

Rate Schedule	Rate per kWh	Rate per kW	Rate per kW PLC	
10	$0.00178~~175~~			(I~~D~~)
20	$0.00122~~123~~			(D)
22	$0.00128~~111~~			(I~~D~~)
30 (small)*	$0.00081~~087~~	$0.4~~644~~		(D)(I)
30 (large)*			$0.5~~155~~	(D)
40			$0.31~~36~~	(D)
41			$0.35~~36~~	(D)
44			$0.33~~36~~	(D)
46			$0.34~~37~~	(D)
51 thru 58, 71	$0.00037			(N)

*Rate Schedule 30 (small) defined as Customers receiving service under Rate Schedule 30 with a Kilowatt Demand less than 500 kilowatts, and Rate Schedule 30 (large) defined as Customers receiving service under Rate Schedule 30 with a Kilowatt Demand greater than or equal to 500 kilowatts. The Company will categorize Customers as those with Kilowatt Demands less than 500 kilowatts and those with a Kilowatt Demand greater than or equal to 500 kilowatts.

(I) Indicates Increase
(D) Indicates Decrease
(N) Indicates New

Issued _____ Effective _____

WEST PENN POWER COMPANY

Supplement No. ___ to
Electric-Pa. P. U. C. No. 37
_____ Revised Page No. 5-4
Canceling _____ Revised Page No. 5-4

ENERGY EFFICIENCY AND CONSERVATION ("EE&C") SURCHARGE

In addition to the charges provided in this Tariff and in accordance with 66 Pa. C.S.A. §2806.1, there shall be a surcharge as set forth below to recover the costs associated with Company-sponsored programs for energy efficiency and conservation programs as approved by the Commission. This surcharge is applied to this Tariff to recover costs allocated to this Tariff. This surcharge will be applied each month until changed by the Commission. The resulting surcharge is in addition to any minimum charge set out in the Tariff and is added to the Customer's bill before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late payment charges.

CALCULATION OF SURCHARGE

The EE&C Surcharge is calculated as a levelized surcharge through May 2013. The surcharge is calculated by separating the Program Costs allocated to this Tariff and dividing by forecasted distribution PLC demand sales. The calculation includes an Annual Reconciliation Factor adjustment and an adjustment for gross receipts tax. The Annual Reconciliation Factor adjustment will be filed by March 31 to become effective the forthcoming June 1. Upon determination that the surcharge, if left unchanged, would result in a material over/under-collection, the Company may file a proposed interim revision of the surcharge for Commission approval.

Bills shall include an amount equal to the surcharge rate times the number of capacity sales as follows:

EE&C SURCHARGE

Rate per kW PLC	
$0.23	(D)

ELIGIBLE COSTS

Costs eligible for recovery through the EE&C Surcharge are approved by the Commission and include:

Program Costs – Program Costs are the estimated costs for research, development, implementation, and operation of programs to be incurred by the Company and approved by the Commission. Program costs include, but are not limited to, Company labor, rebates and incentives, payments to third parties for program administration and implementation, direct marketing and advertising costs incurred by the Company, market research costs, program development, monitoring and evaluation, consultant and contractor fees, applicable software and software licenses, program measurement and monitoring hardware, and all other administrative activities associated with program development and implementation.

Annual Reconciliation Factor -- The Annual Reconciliation Factor corrects for over/under-collection of Program Costs and may reflect items such as an update of forecasted billing determinants, re-evaluation or re-design of EE&C programs, and re-allocation of Program Costs to this Tariff. The Company will submit to the Commission by March 31 of each year: (1) a comparison between forecasted revenues billed and actual revenues billed through February, as adjusted for removal of gross receipts tax; (2) any adjustment to the forecasted revenues anticipated to be billed during March through May, as adjusted for removal of gross receipts tax; (3) any adjustment to the Program Costs levelized through May 2013 based upon actual costs incurred through February and any revised estimates for future months, subject to this Tariff's allocation portion of the amount permitted to be recovered under 66 Pa. C.S.A. §2806.1; and (4) the subsequent reconciliation effect to the EE&C Surcharge adjusted for gross receipts tax and levelized over the period of the upcoming June 1 and continuing through the remaining months of the surcharge. There shall also be a final reconciliation of amounts to be collected or refunded after May 31, 2013.

(D) Indicates Decrease

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WEST PENN POWER COMPANY

Supplement No. ___ to
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Canceling _____ Revised Page No. 5-4

ENERGY EFFICIENCY AND CONSERVATION ("EE&C") SURCHARGE

In addition to the charges provided in this Tariff and in accordance with 66 Pa. C.S.A. §2806.1, there shall be a surcharge as set forth below to recover the costs associated with Company-sponsored programs for energy efficiency and conservation programs as approved by the Commission. This surcharge is applied to this Tariff to recover costs allocated to this Tariff. This surcharge will be applied each month until changed by the Commission. The resulting surcharge is in addition to any minimum charge set out in the Tariff and is added to the Customer's bill before any tax surcharge is levied against the Customer's total bill. Amounts billed hereunder shall be subject to late payment charges.

CALCULATION OF SURCHARGE

The EE&C Surcharge is calculated as a levelized surcharge through May 2013. The surcharge is calculated by separating the Program Costs allocated to this Tariff and dividing by forecasted distribution PLC demand sales. The calculation includes an Annual Reconciliation Factor adjustment and an adjustment for gross receipts tax. The Annual Reconciliation Factor adjustment will be filed by March 31 to become effective the forthcoming June 1. Upon determination that the surcharge, if left unchanged, would result in a material over/under-collection, the Company may file a proposed interim revision of the surcharge for Commission approval.

Bills shall include an amount equal to the surcharge rate times the number of capacity sales as follows:

EE&C SURCHARGE

Rate per kW PLC	
$0.2344	(D)

ELIGIBLE COSTS

Costs eligible for recovery through the EE&C Surcharge are approved by the Commission and include:

Program Costs -- Program Costs are the estimated costs for research, development, implementation, and operation of programs to be incurred by the Company and approved by the Commission. Program costs include, but are not limited to, Company labor, rebates and incentives, payments to third parties for program administration and implementation, direct marketing and advertising costs incurred by the Company, market research costs, program development, monitoring and evaluation, consultant and contractor fees, applicable software and software licenses, program measurement and monitoring hardware, and all other administrative activities associated with program development and implementation.

Annual Reconciliation Factor -- The Annual Reconciliation Factor corrects for over/under-collection of Program Costs and may reflect items such as an update of forecasted billing determinants, re-evaluation or re-design of EE&C programs, and re-allocation of Program Costs to this Tariff. The Company will submit to the Commission by March 31 of each year: (1) a comparison between forecasted revenues billed and actual revenues billed through February, as adjusted for removal of gross receipts tax; (2) any adjustment to the forecasted revenues anticipated to be billed during March through May, as adjusted for removal of gross receipts tax; (3) any adjustment to the Program Costs levelized through May 2013 based upon actual costs incurred through February and any revised estimates for future months, subject to this Tariff's allocation portion of the amount permitted to be recovered under 66 Pa. C.S.A. §2806.1; and (4) the subsequent reconciliation effect to the EE&C Surcharge adjusted for gross receipts tax and levelized over the period of the upcoming June 1 and continuing through the remaining months of the surcharge. There shall also be a final reconciliation of amounts to be collected or refunded after May 31, 2013.

(D) Indicates Decrease

Issued _____ Effective _____

WEST PENN POWER CO.
EE&C Surcharge Summary

Tariff Classification	Costs: Current Plan	Costs: New Plan	Costs: Total Costs	Revenues and Adjustments: EE&C Surcharge (w/out GRT) thru Jun 2011*	Revenues and Adjustments: EE&C Surcharge (w/out GRT) Jul-Nov 2011*	Revenues and Adjustments: Merger Adjustment**	Revenues and Adjustments: Total Rev & Adj	Total Costs plus Rev & Adj	Proposed EE&C Surcharge effective Dec 1, 2011 (w/GRT): $/kWh	$/kW	$/kW-PLC
Tariff No. 39, Schedule 10	$ 23,513,988	$ 24,370,913	$ 47,884,902	$ (25,010,362)	$ (4,573,688)	$ -	$ (28,584,051)	$ 18,300,851	$ 0.00178		
Tariff No. 39, Schedule 20	$ 3,385,347	$ 9,398,358	$ 12,781,705	$ (5,245,186)	$ (1,324,055)	$ (1,559,187)	$ (8,128,429)	$ 4,653,276	$ 0.00122		
Tariff No. 39, Schedule 22	$ 50,624	$ 154,093	$ 204,717	$ (72,254)	$ (14,523)	$ (36,912)	$ (123,689)	$ 81,028	$ 0.00128		
Tariff No. 39, Schedule 30 (small)	$ 3,064,344	$ 10,229,272	$ 13,293,616	$ (4,768,500)	$ (1,386,937)	$ (1,857,306)	$ (8,112,743)	$ 5,180,873	$ 0.00081	$ 0.46	
Tariff No. 39, Schedule 30 (large)	$ 2,987,793	$ 7,199,435	$ 10,187,228	$ (3,518,713)	$ (937,795)	$ (2,546,994)	$ (7,003,502)	$ 3,183,726			$ 0.51
Tariff No. 39, Schedule 40	$ 1,851,984	$ 4,374,595	$ 6,226,579	$ (2,388,635)	$ (876,287)	$ -	$ (3,264,922)	$ 2,961,657			$ 0.34
Tariff No. 39, Schedule 41	$ 41,947	$ 131,072	$ 173,020	$ (54,667)	$ (26,308)	$ -	$ (80,976)	$ 92,044			$ 0.35
Tariff No. 39, Schedule 44	$ 34,226	$ 76,542	$ 110,768	$ (44,546)	$ (15,237)	$ -	$ (59,783)	$ 50,986			$ 0.33
Tariff No. 39, Schedule 46	$ 750,177	$ 1,808,921	$ 2,559,098	$ (954,610)	$ (374,710)	$ -	$ (1,329,320)	$ 1,229,778			$ 0.34
Tariff No. 37	$ 272,348	$ 514,668	$ 787,018	$ (371,458)	$ (108,278)	$ (89,600)	$ (569,337)	$ 217,681			$ 0.23
Tariff No. 39, Schedules 51-58, 71	$ -	$ 41,340	$ 41,340	$ -	$ -	$ -	$ -	$ 41,340	$ 0.00037		
Total	$ 35,952,781	$ 58,297,211	$ 94,249,992	$ (42,428,933)	$ (9,637,818)	$ (6,190,000)	$ (58,256,750)	$ 35,993,242			

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Per paragraph 18 of Joint Petition For Partial Settlement at Docket Nos. A-2010-2176520 and A-2010-2176732, dated October 25, 2010

WEST PENN POWER CO.
Levelized Surcharge Calculation
Residential

	Residential Appliance Turn-In Program	Residential Energy Efficient Products Program	Residential Energy Efficient HVAC Equipment Program	Residential Home Performance	Critical Peak Rebate (CPR) Rate - Residential	Conservation Voltage Reduction (CVR) Program - Residential
Current Plan Costs	$ -	$ 8,289,678	$ 1,475,349	$ 8,495,611	$ -	$ -
Amounts Billed thru Nov 2011*	$ -	$ (12,667,014)	$ (2,301,326)	$ (6,031,708)	$ (934,184)	$ -
New Plan Costs	$ 1,408,370	$ 4,868,847	$ 1,073,002	$ 7,836,260	$ 1,513,922	$ 1,040,270
Remainder	$ 1,408,370	$ 501,511	$ 247,025	$ 10,300,168	$ 579,738	$ 1,040,270
Billing Determinants Dec '11 thru May '13	kWh	kWh	kWh	kWh	kWh	kWh
Tariff No. 39, Schedule 10	10,906,085,123	10,906,085,123	10,906,085,123	10,906,085,123	10,906,085,123	10,906,085,123
EE&C Surcharge pre-tax	$ / kWh	$ / kWh	$ / kWh	$ / kWh	$ / kWh	$ / kWh
Tariff No. 39, Schedule 10	$ 0.00013	$ 0.00005	$ 0.00002	$ 0.00094	$ 0.00005	$ 0.00010
EE&C Surcharge post-tax**	$ / kWh	$ / kWh	$ / kWh	$ / kWh	$ / kWh	$ / kWh
Tariff No. 39, Schedule 10	$ 0.00014	$ 0.00005	$ 0.00002	$ 0.00100	$ 0.00006	$ 0.00010
Average usage	kWh	kWh	kWh	kWh	kWh	kWh
Tariff No. 39, Schedule 10	988	988	988	988	988	988
EE&C Surcharge for average usage	$ / month	$ / month	$ / month	$ / month	$ / month	$ / month
Tariff No. 39, Schedule 10	$ 0.14	$ 0.05	$ 0.02	$ 0.99	$ 0.06	$ 0.10

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
Residential Low Income

	Limited Income Energy Efficiency Program (LIEEP)	Joint Utility Usage Management Program
Current Plan Costs	$ 3,688,637	$ 1,554,712
Amounts Billed thru Nov 2011*	$ (3,438,156)	$ (4,211,664)
New Plan Costs	$ 3,626,439	$ 3,003,803
Remainder	$ 3,876,920	$ 346,851
Billing Determinants Dec '11 thru May '13	kWh	kWh
Tariff No. 39, Schedule 10	10,906,085,123	10,906,085,123
EE&C Surcharge pre-tax	$ / kWh	$ / kWh
Tariff No. 39, Schedule 10	$ 0.00036	$ 0.00003
EE&C Surcharge post-tax**	$ / kWh	$ / kWh
Tariff No. 39, Schedule 10	$ 0.00038	$ 0.00003
Average usage	kWh	kWh
Tariff No. 39, Schedule 10	988	988
EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 10	$ 0.37	$ 0.03

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
C/I Equipment Program - Small

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	New Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 20					
Custom Technology Applications Program	$ -	$ -	$ -	$ -	$ -
Commercial Products Efficiency Program	$ 2,878,299	$ (4,944,544)	$ (2,123,195)	$ -	$ (4,389,440)
Commercial HVAC Efficiency Program	$ 370,300	$ (695,069)	$ (15,389)	$ -	$ (340,158)
C/I Equipment Program - Small	$ -	$ -	$ -	$ 6,780,970	$ 6,780,970
Tariff No. 39, Schedule 22					
Custom Technology Applications Program	$ -	$ -	$ -	$ -	$ -
Commercial Products Efficiency Program	$ 44,475	$ (73,384)	$ (33,953)	$ -	$ (62,862)
Commercial HVAC Efficiency Program	$ 6,149	$ (10,211)	$ 85	$ -	$ (3,977)
C/I Equipment Program - Small	$ -	$ -	$ -	$ 112,758	$ 112,758
Tariff No. 39, Schedule 30 (small)					
Custom Technology Applications Program	$ 865,280	$ (1,443,056)	$ (946,174)	$ -	$ (1,523,952)
Commercial Products Efficiency Program	$ 1,931,953	$ (3,422,321)	$ (861,424)	$ -	$ (2,351,793)
Commercial HVAC Efficiency Program	$ 267,111	$ (473,276)	$ 38,628	$ -	$ (167,537)
C/I Equipment Program - Small	$ -	$ -	$ -	$ 6,201,361	$ 6,201,361
Tariff No. 39, Schedule 30 (large)					
Custom Technology Applications Program	$ 1,080,293	$ (1,553,454)	$ (1,443,119)	$ -	$ (1,936,280)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
Commercial HVAC Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Small	$ -	$ -	$ -	$ 1,838,498	$ 1,838,498
Remainder	$ 7,223,859	$ (12,615,318)	$ (5,384,541)	$ 14,931,588	$ 4,155,588

Billing Determinants Dec '11 thru May '13	kWh	kW PLC
Tariff No. 39, Schedule 20	4,040,405,666	-
Tariff No. 39, Schedule 22	67,188,433	-
Tariff No. 39, Schedule 30 (small)	2,800,881,226	7,055,095
Tariff No. 39, Schedule 30 (large)	3,365,283,535	6,609,147
Total	10,273,758,859	13,664,242

EE&C Surcharge pre-tax	$ / kWh	$ / kW PLC
Tariff No. 39, Schedule 20	$ 0.00051	$ -
Tariff No. 39, Schedule 22	$ 0.00068	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00039	$ 0.15
Tariff No. 39, Schedule 30 (large)	$ -	$ (0.02)

EE&C Surcharge post-tax**	$ / kWh	$ / kW PLC
Tariff No. 39, Schedule 20	$ 0.00054	$ -
Tariff No. 39, Schedule 22	$ 0.00073	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00041	$ 0.16
Tariff No. 39, Schedule 30 (large)	$ -	$ (0.02)

Average usage	kWh	kW PLC
Tariff No. 39, Schedule 20	2,459	-
Tariff No. 39, Schedule 22	2,476	-
Tariff No. 39, Schedule 30 (small)	77,027	-
Tariff No. 39, Schedule 30 (large)	-	708

EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 20	$ 1.33	$ -
Tariff No. 39, Schedule 22	$ 1.80	$ -
Tariff No. 39, Schedule 30 (small)	$ 31.64	$ -
Tariff No. 39, Schedule 30 (large)	$ -	$ (11.38)

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	New Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 20					
Time of Use with Critical Peak Pricing Program	$ -	$ (211,455)	$ (185,794)	$ -	$ (397,249)
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -	$ -	$ -	$ 523,468	$ 523,468
Tariff No. 39, Schedule 22					
Time of Use with Critical Peak Pricing Program	$ -	$ (3,181)	$ (3,044)	$ -	$ (6,225)
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -	$ -	$ -	$ 8,705	$ 8,705
Tariff No. 39, Schedule 30 (small)					
Time of Use with Critical Peak Pricing Program	$ -	$ (150,027)	$ (87,869)	$ -	$ (237,896)
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -	$ -	$ -	$ 362,878	$ 362,878
Remainder	$ -	$ (364,663)	$ (276,707)	$ 895,050	$ 253,680

Billing Determinants Dec '11 thru May '13	kWh	kW
Tariff No. 39, Schedule 20	4,040,405,666	-
Tariff No. 39, Schedule 22	67,186,433	-
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Total	6,908,473,324	7,055,095

EE&C Surcharge pre-tax	$ / kWh	$ / kW
Tariff No. 39, Schedule 20	$ 0.00003	$ -
Tariff No. 39, Schedule 22	$ 0.00004	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00002	$ 0.01

EE&C Surcharge post-tax**	$ / kWh	$ / kW
Tariff No. 39, Schedule 20	$ 0.00003	$ -
Tariff No. 39, Schedule 22	$ 0.00004	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00002	$ 0.01

Average usage	kWh	kW
Tariff No. 39, Schedule 20	2,469	-
Tariff No. 39, Schedule 22	2,476	-
Tariff No. 39, Schedule 30 (small)	77,027	198

EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 20	$ 0.08	$ -
Tariff No. 39, Schedule 22	$ 0.10	$ -
Tariff No. 39, Schedule 30 (small)	$ 1.83	$ 1.86

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
C/I Equipment Program - Large

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	New Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 30 (large)					
Custom Application Program	$ 1,425,292.69	$ (1,255,304)	$ (1,143,446)	$ -	$ (973,457)
Commercial Products Efficiency Program	$ 502,207.57	$ (892,847)	$ 131,038	$ -	$ (259,602)
C/I Equipment Program - Large	$ -	$ -	$ -	$ 1,521,375	$ 1,521,376
Tariff No. 39, Schedule 40					
Custom Application Program	$ 1,851,984.21	$ (2,161,711)	$ -	$ -	$ (309,726)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Large	$ -	$ -	$ -	$ 2,141,002	$ 2,141,002
Tariff No. 39, Schedule 41					
Custom Application Program	$ 41,947.40	$ (53,613)	$ -	$ -	$ (11,666)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Large	$ -	$ -	$ -	$ 64,149	$ 64,149
Tariff No. 39, Schedule 44					
Custom Application Program	$ 34,226.15	$ (39,579)	$ -	$ -	$ (5,352)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Large	$ -	$ -	$ -	$ 37,461	$ 37,461
Tariff No. 39, Schedule 46					
Custom Application Program	$ 750,177.11	$ (880,120)	$ -	$ -	$ (129,943)
Commercial Products Efficiency Program	$ -	$ -	$ -	$ -	$ -
C/I Equipment Program - Large	$ -	$ -	$ -	$ 885,317	$ 885,317
Tariff No 37					
Custom Application Program	$ 201,389.18	$ (218,921)	$ (82,172)	$ -	$ (109,704)
Commercial Products Efficiency Program	$ 70,960.28	$ (139,501)	$ 10,417	$ -	$ (58,123)
C/I Equipment Program - Large	$ -	$ -	$ -	$ 230,107	$ 230,107
Remainder	$ 4,878,184.58	$ (5,841,595)	$ (1,094,162)	$ 4,879,412	$ 3,021,840

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 39, Schedule 30 (large)	6,609,147
Tariff No. 39, Schedule 40	9,300,926
Tariff No. 39, Schedule 41	276,676
Tariff No. 39, Schedule 44	182,738
Tariff No. 39, Schedule 46	3,845,988
Tariff No. 37	999,630
Total	21,197,104

EE&C Surcharge pre-tax	$ / kW PLC
Tariff No. 39, Schedule 30 (large)	$ 0.04
Tariff No. 39, Schedule 40	$ 0.20
Tariff No. 39, Schedule 41	$ 0.19
Tariff No. 39, Schedule 44	$ 0.20
Tariff No. 39, Schedule 46	$ 0.20
Tariff No. 37	$ 0.06

EE&C Surcharge post-tax**	$ / kW PLC
Tariff No. 39, Schedule 30 (large)	$ 0.05
Tariff No. 39, Schedule 40	$ 0.21
Tariff No. 39, Schedule 41	$ 0.20
Tariff No. 39, Schedule 44	$ 0.21
Tariff No. 39, Schedule 46	$ 0.21
Tariff No. 37	$ 0.07

Average usage	kW PLC
Tariff No. 39, Schedule 30 (large)	708
Tariff No. 39, Schedule 40	4,297
Tariff No. 39, Schedule 41	7,741
Tariff No. 39, Schedule 44	8,041
Tariff No. 39, Schedule 46	106,833
Tariff No. 37	55,535

EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (large)	$ 32.82
Tariff No. 39, Schedule 40	$ 899.09
Tariff No. 39, Schedule 41	$ 1,549.28
Tariff No. 39, Schedule 44	$ 1,895.68
Tariff No. 39, Schedule 46	$ 22,298.21
Tariff No. 37	$ 3,676.97

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
Customer Load Response Program

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	New Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 30 (small)					
Customer Load Response Program	$ -	$ (280,061)	$ 57,999	$ -	$ (222,062)
Customer Load Response Program	$ -	$ -	$ -	$ 452,377	$ 452,377
Tariff No. 39, Schedule 30 (large)					
Customer Load Response Program	$ -	$ (295,152)	$ (10,633)	$ -	$ (305,785)
Customer Load Response Program	$ -	$ -	$ -	$ 423,783	$ 423,783
Tariff No. 39, Schedule 40					
Customer Load Response Program	$ -	$ (423,039)	$ -	$ -	$ (423,039)
Customer Load Response Program	$ -	$ -	$ -	$ 596,381	$ 596,381
Tariff No. 39, Schedule 41					
Customer Load Response Program	$ -	$ (10,493)	$ -	$ -	$ (10,493)
Customer Load Response Program	$ -	$ -	$ -	$ 17,869	$ 17,869
Tariff No. 39, Schedule 44					
Customer Load Response Program	$ -	$ (7,747)	$ -	$ -	$ (7,747)
Customer Load Response Program	$ -	$ -	$ -	$ 10,435	$ 10,435
Tariff No. 39, Schedule 46					
Customer Load Response Program	$ -	$ (172,251)	$ -	$ -	$ (172,251)
Customer Load Response Program	$ -	$ -	$ -	$ 246,607	$ 246,607
Tariff No. 37					
Customer Load Response Program	$ -	$ (47,026)	$ (939)	$ -	$ (47,965)
Customer Load Response Program	$ -	$ -	$ -	$ 64,097	$ 64,097
Remainder	$ -	$ (1,235,769)	$ 48,428	$ 1,811,548	$ 622,206

Billing Determinants Dec '11 thru May '13	kW PLC***
Tariff No. 39, Schedule 30 (small)	7,055,095
Tariff No. 39, Schedule 30 (large)	6,609,147
Tariff No. 39, Schedule 40	9,300,925
Tariff No. 39, Schedule 41	278,676
Tariff No. 39, Schedule 44	162,738
Tariff No. 39, Schedule 46	3,845,988
Tariff No. 37	899,630
Total	28,252,199

EE&C Surcharge pre-tax	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.03
Tariff No. 39, Schedule 30 (large)	$ 0.02
Tariff No. 39, Schedule 40	$ 0.02
Tariff No. 39, Schedule 41	$ 0.03
Tariff No. 39, Schedule 44	$ 0.02
Tariff No. 39, Schedule 46	$ 0.02
Tariff No. 37	$ 0.02

EE&C Surcharge post-tax**	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.03
Tariff No. 39, Schedule 30 (large)	$ 0.02
Tariff No. 39, Schedule 40	$ 0.02
Tariff No. 39, Schedule 41	$ 0.03
Tariff No. 39, Schedule 44	$ 0.02
Tariff No. 39, Schedule 46	$ 0.02
Tariff No. 37	$ 0.02

Average usage	kW PLC***
Tariff No. 39, Schedule 30 (small)	198
Tariff No. 39, Schedule 30 (large)	708
Tariff No. 39, Schedule 40	4,297
Tariff No. 39, Schedule 41	7,741
Tariff No. 39, Schedule 44	9,041
Tariff No. 39, Schedule 46	106,833
Tariff No. 37	55,535

EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (small)	$ 6.87
Tariff No. 39, Schedule 30 (large)	$ 13.43
Tariff No. 39, Schedule 40	$ 85.10
Tariff No. 39, Schedule 41	$ 217.75
Tariff No. 39, Schedule 44	$ 158.66
Tariff No. 39, Schedule 46	$ 2,184.95
Tariff No. 37	$ 952.41

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT
***Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Customer Resources Demand Response Program

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	New Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 30 (small)					
Customer Resources Demand Response Program	$ -	$ (335,082)	$ (69,422)	$ -	$ (404,503)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 1,039,994	$ 1,039,994
Tariff No. 39, Schedule 30 (large)					
Customer Resources Demand Response Program	$ -	$ (373,013)	$ (96,492)	$ -	$ (469,505)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 974,257	$ 974,257
Tariff No. 39, Schedule 40					
Customer Resources Demand Response Program	$ -	$ (562,050)	$ -	$ -	$ (562,050)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 1,371,053	$ 1,371,053
Tariff No. 39, Schedule 41					
Customer Resources Demand Response Program	$ -	$ (13,940)	$ -	$ -	$ (13,940)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 41,080	$ 41,080
Tariff No. 39, Schedule 44					
Customer Resources Demand Response Program	$ -	$ (10,293)	$ -	$ -	$ (10,293)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 23,989	$ 23,989
Tariff No. 39, Schedule 46					
Customer Resources Demand Response Program	$ -	$ (228,853)	$ -	$ -	$ (228,853)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 566,939	$ 566,939
Tariff No. 37					
Customer Resources Demand Response Program	$ -	$ (60,907)	$ (7,670)	$ -	$ (68,578)
Customer Resources Demand Response Program	$ -	$ -	$ -	$ 147,358	$ 147,358
Remainder	$ -	$ (1,584,139)	$ (173,583)	$ 4,164,667	$ 2,406,945

Billing Determinants Dec '11 thru May '13	kW PLC***
Tariff No. 39, Schedule 30 (small)	7,055,095
Tariff No. 39, Schedule 30 (large)	6,609,147
Tariff No. 39, Schedule 40	9,300,925
Tariff No. 39, Schedule 41	278,676
Tariff No. 39, Schedule 44	162,738
Tariff No. 39, Schedule 46	3,845,988
Tariff No. 37	999,630
Total	28,252,199

EE&C Surcharge pre-tax	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.09
Tariff No. 39, Schedule 30 (large)	$ 0.08
Tariff No. 39, Schedule 40	$ 0.09
Tariff No. 39, Schedule 41	$ 0.10
Tariff No. 39, Schedule 44	$ 0.08
Tariff No. 39, Schedule 46	$ 0.09
Tariff No. 37	$ 0.08

EE&C Surcharge post-tax**	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.10
Tariff No. 39, Schedule 30 (large)	$ 0.08
Tariff No. 39, Schedule 40	$ 0.09
Tariff No. 39, Schedule 41	$ 0.10
Tariff No. 39, Schedule 44	$ 0.09
Tariff No. 39, Schedule 46	$ 0.09
Tariff No. 37	$ 0.08

Average usage	kW PLC***
Tariff No. 39, Schedule 30 (small)	198
Tariff No. 39, Schedule 30 (large)	708
Tariff No. 39, Schedule 40	4,297
Tariff No. 39, Schedule 41	7,741
Tariff No. 39, Schedule 44	9,041
Tariff No. 39, Schedule 46	106,833
Tariff No. 37	55,535

EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (small)	$ 18.95
Tariff No. 39, Schedule 30 (large)	$ 57.46
Tariff No. 39, Schedule 40	$ 397.19
Tariff No. 39, Schedule 41	$ 801.14
Tariff No. 39, Schedule 44	$ 808.60
Tariff No. 39, Schedule 46	$ 9,880.10
Tariff No. 37	$ 4,650.97

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT
***Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Distributed Generation Program

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	New Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 30 (small)					
Distributed Generation Program	$ -	$ (51,611)	$ (89,045)	$ -	$ (140,656)
Distributed Generation Program	$ -	$ -	$ -	$ 201,892	$ 201,892
Tariff No. 39, Schedule 30 (large)					
Distributed Generation Program	$ -	$ (86,738)	$ 15,658	$ -	$ (71,081)
Distributed Generation Program	$ -	$ -	$ -	$ 189,130	$ 189,130
Tariff No. 39, Schedule 40					
Distributed Generation Program	$ -	$ (118,122)	$ -	$ -	$ (118,122)
Distributed Generation Program	$ -	$ -	$ -	$ 266,159	$ 266,159
Tariff No. 39, Schedule 41					
Distributed Generation Program	$ -	$ (2,930)	$ -	$ -	$ (2,930)
Distributed Generation Program	$ -	$ -	$ -	$ 7,975	$ 7,975
Tariff No. 39, Schedule 44					
Distributed Generation Program	$ -	$ (2,163)	$ -	$ -	$ (2,163)
Distributed Generation Program	$ -	$ -	$ -	$ 4,657	$ 4,657
Tariff No. 39, Schedule 46					
Distributed Generation Program	$ -	$ (48,096)	$ -	$ -	$ (48,096)
Distributed Generation Program	$ -	$ -	$ -	$ 110,058	$ 110,058
Tariff No. 37					
Distributed Generation Program	$ -	$ (13,382)	$ 764	$ -	$ (12,618)
Distributed Generation Program	$ -	$ -	$ -	$ 28,606	$ 28,606
Remainder	$ -	$ (323,042)	$ (72,624)	$ 808,477	$ 412,812

Billing Determinants Dec '11 thru May '13	kW PLC***
Tariff No. 39, Schedule 30 (small)	7,055,095
Tariff No. 39, Schedule 30 (large)	6,609,147
Tariff No. 39, Schedule 40	9,300,925
Tariff No. 39, Schedule 41	278,676
Tariff No. 39, Schedule 44	162,738
Tariff No. 39, Schedule 46	3,845,988
Tariff No. 37	999,630
Total	28,252,199

EE&C Surcharge pre-tax	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.01
Tariff No. 39, Schedule 30 (large)	$ 0.02
Tariff No. 39, Schedule 40	$ 0.02
Tariff No. 39, Schedule 41	$ 0.02
Tariff No. 39, Schedule 44	$ 0.02
Tariff No. 39, Schedule 46	$ 0.02
Tariff No. 37	$ 0.02

EE&C Surcharge post-tax**	$ / kW PLC***
Tariff No. 39, Schedule 30 (small)	$ 0.01
Tariff No. 39, Schedule 30 (large)	$ 0.02
Tariff No. 39, Schedule 40	$ 0.02
Tariff No. 39, Schedule 41	$ 0.02
Tariff No. 39, Schedule 44	$ 0.02
Tariff No. 39, Schedule 46	$ 0.02
Tariff No. 37	$ 0.02

Average usage	kW PLC***
Tariff No. 39, Schedule 30 (small)	198
Tariff No. 39, Schedule 30 (large)	708
Tariff No. 39, Schedule 40	4,297
Tariff No. 39, Schedule 41	7,741
Tariff No. 39, Schedule 44	9,041
Tariff No. 39, Schedule 46	106,833
Tariff No. 37	55,535

EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (small)	$ 1.83
Tariff No. 39, Schedule 30 (large)	$ 13.44
Tariff No. 39, Schedule 40	$ 72.68
Tariff No. 39, Schedule 41	$ 148.92
Tariff No. 39, Schedule 44	$ 147.23
Tariff No. 39, Schedule 46	$ 1,829.09
Tariff No. 37	$ 943.91

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT
***Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Governmental LED Traffic/Pedestrian Signals - Sch 20

	Current Plan Costs	Amounts Billed thru Nov 2011*	Merger Adjustment	New Plan Costs	Remainder
Program Costs					
Tariff No. 39, Schedule 20					
Municipal LED Traffic Signals	$ 336,749	$ (718,174)	$ 765,190	$ -	$ 383,765
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -	$ -	$ -	$ 129,628	$ 129,628
Remainder	$ 336,749	$ (718,174)	$ 765,190	$ 129,628	$ 513,393

Billing Determinants Dec '11 thru May '13	kWh
Tariff No. 39, Schedule 20	4,040,405,666
EE&C Surcharge pre-tax	$ / kWh
Tariff No. 39, Schedule 20	$ 0.00013
EE&C Surcharge post-tax**	$ / kWh
Tariff No. 39, Schedule 20	$ 0.00014
Average usage	kWh
Tariff No. 39, Schedule 20	2,469
EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 20	$ 0.33

*Actual billed amounts through Jun 2011; forecasted amounts Jul through Nov 2011
**Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Calculation
Governmental Lighting

	New Plan Costs	
Program Costs		
Tariff No. 39, Schedule 20	$ 1,598,799	
Tariff No. 39, Schedule 22	$ 26,586	
Tariff No. 39, Schedule 30 (small)	$ 1,108,316	
Tariff No. 39, Schedule 30 (large)	$ 1,226,669	
Total	$ 3,960,370	

Billing Determinants Dec '11 thru May '13	kWh	kW PLC**
Tariff No. 39, Schedule 20	4,040,405,666	-
Tariff No. 39, Schedule 22	67,186,433	-
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Tariff No. 39, Schedule 30 (large)	-	6,609,147
Total	6,908,473,324	13,664,242

EE&C Surcharge pre-tax	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 20	$ 0.00040	$ -
Tariff No. 39, Schedule 22	$ 0.00040	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00020	$ 0.08
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.19

EE&C Surcharge post-tax*	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 20	$ 0.00042	$ -
Tariff No. 39, Schedule 22	$ 0.00042	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00021	$ 0.08
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.20

Average usage	kWh	kW PLC**
Tariff No. 39, Schedule 20	2,469	-
Tariff No. 39, Schedule 22	2,476	-
Tariff No. 39, Schedule 30 (small)	77,027	198
Tariff No. 39, Schedule 30 (large)	-	708

EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 20	$ 1.04	$ -
Tariff No. 39, Schedule 22	$ 1.04	$ -
Tariff No. 39, Schedule 30 (small)	$ 16.20	$ 16.53
Tariff No. 39, Schedule 30 (large)	$ -	$ 139.65

*Includes 5.9% GRT
**Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Governmental Custom Incentives - Sch 30

	New Plan Costs	
Program Costs		
Tariff No. 39, Schedule 30 (small)	$ 610,475	
Tariff No. 39, Schedule 30 (large)	$ 733,491	
Total	$ 1,343,966	
Billing Determinants Dec '11 thru May '13	kWh	kW PLC**
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Tariff No. 39, Schedule 30 (large)	3,365,283,535	6,609,147
Total	6,166,164,760	13,664,242
EE&C Surcharge pre-tax	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 30 (small)	$ 0.00011	$ 0.04
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.11
EE&C Surcharge post-tax*	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 30 (small)	$ 0.00012	$ 0.05
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.12
Average usage	kWh	kW PLC**
Tariff No. 39, Schedule 30 (small)	77,027	198
Tariff No. 39, Schedule 30 (large)	-	708
EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 30 (small)	$ 8.92	$ 9.10
Tariff No. 39, Schedule 30 (large)	$ -	$ 83.50

*Includes 5.9% GRT
**Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levellzed Surcharge Calculation
Conservation Voltage Reduction (CVR) Program - Distribution voltages

	New Plan Costs	
Program Costs		
Tariff No. 39, Schedule 20	$ 363,492	
Tariff No. 39, Schedule 22	$ 6,044	
Tariff No. 39, Schedule 30 (small)	$ 251,979	
Tariff No. 39, Schedule 30 (large)	$ 294,232	
Tariff No. 37	$ 44,502	
Total	$ 960,249	

Billing Determinants Dec '11 thru May '13	kWh	kW PLC**
Tariff No. 39, Schedule 20	4,040,405,666	-
Tariff No. 39, Schedule 22	67,186,433	-
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095
Tariff No. 39, Schedule 30 (large)	3,365,283,535	6,609,147
Tariff No. 37	399,932,000	999,630
Total	10,673,688,859	14,663,872

EE&C Surcharge pre-tax	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 20	$ 0.00009	$ -
Tariff No. 39, Schedule 22	$ 0.00009	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00004	$ 0.02
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.04
Tariff No. 37	$ -	$ 0.04

EE&C Surcharge post-tax*	$ / kWh	$ / kW PLC**
Tariff No. 39, Schedule 20	$ 0.00010	$ -
Tariff No. 39, Schedule 22	$ 0.00010	$ -
Tariff No. 39, Schedule 30 (small)	$ 0.00005	$ 0.02
Tariff No. 39, Schedule 30 (large)	$ -	$ 0.05
Tariff No. 37	$ -	$ 0.05

Average usage	kWh	kW PLC**
Tariff No. 39, Schedule 20	2,469	-
Tariff No. 39, Schedule 22	2,478	-
Tariff No. 39, Schedule 30 (small)	77,027	-
Tariff No. 39, Schedule 30 (large)	-	708
Tariff No. 37	-	55,535

EE&C Surcharge for average usage	$ / month	$ / month
Tariff No. 39, Schedule 20	$ 0.24	$ -
Tariff No. 39, Schedule 22	$ 0.24	$ -
Tariff No. 39, Schedule 30 (small)	$ 3.68	$ -
Tariff No. 39, Schedule 30 (large)	$ -	$ 33.50
Tariff No. 37	$ -	$ 2,627.37

*Includes 5.9% GRT
**Monthly billing kW instead of kW PLC for Schedule 30 (small)

WEST PENN POWER CO.
Levelized Surcharge Calculation
Street Lighting - Weighted Average All Replacements

	New Plan Costs
Program Costs	
Tariff No. 39, Schedules 51-58, 71	$ 41,340
Billing Determinants Dec '11 thru May '13	kWh
Tariff No. 39, Schedules 51-58, 71	118,960,945
EE&C Surcharge pre-tax	$ / kWh
Tariff No. 39, Schedules 51-58, 71	$ 0.00035
EE&C Surcharge post-tax*	$ / kWh
Tariff No. 39, Schedules 51-58, 71	$ 0.00037

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 20

Tariff No. 39, Schedule 20		
EE&C Surcharge post-tax*		$ / kWh
C/I Equipment Program - Small	$	0.00054
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	0.00003
C/I Equipment Program - Large	$	-
Customer Load Response Program	$	-
Customer Resources Demand Response Program	$	-
Distributed Generation Program	$	-
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	0.00014
Governmental Lighting	$	0.00042
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	0.00010
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.00122

Billing Determinants Dec '11 thru May '13	kWh
Tariff No. 39, Schedule 20	4,040,405,666

Average usage	kWh
Tariff No. 39, Schedule 20	2,469

Total EE&C Surcharge for average usage	*$ / month*
Tariff No. 39, Schedule 20	$ 3.02

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 22

Tariff No. 39, Schedule 22		
EE&C Surcharge post-tax*		$ / kWh
C/I Equipment Program - Small	$	0.00073
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	0.00004
C/I Equipment Program - Large	$	-
Customer Load Response Program	$	-
Customer Resources Demand Response Program	$	-
Distributed Generation Program	$	-
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	0.00042
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	0.00010
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.00128
Billing Determinants Dec '11 thru May '13		kWh
Tariff No. 39, Schedule 22		67,186,433
Average usage		kWh
Tariff No. 39, Schedule 22		2,476
Total EE&C Surcharge for average usage		$ / month
Tariff No. 39, Schedule 22	$	3.17

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 30 (small)

Tariff No. 39, Schedule 30 (small) EE&C Surcharge post-tax*	$ / kWh	$ / kW
C/I Equipment Program - Small	$ 0.00041	$ 0.16
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ 0.00002	$ 0.01
C/I Equipment Program - Large	$ -	$ -
Customer Load Response Program	$ -	$ 0.03
Customer Resources Demand Response Program	$ -	$ 0.10
Distributed Generation Program	$ -	$ 0.01
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -	$ -
Governmental Lighting	$ 0.00021	$ 0.08
Governmental Custom Incentives - Sch 30	$ 0.00012	$ 0.05
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$ 0.00005	$ 0.02
Street Lighting - Weighted Average All Replacements	$ -	$ -
Total EE&C Surcharge post-tax*	$ 0.00081	$ 0.46

Billing Determinants Dec '11 thru May '13	kWh	kW
Tariff No. 39, Schedule 30 (small)	2,800,881,225	7,055,095

Average usage	kWh	kW
Tariff No. 39, Schedule 30 (small)	77,027	198

Total EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 30 (small)	$ 153.24

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 30 (large)

Tariff No. 39, Schedule 30 (large)		
EE&C Surcharge post-tax*		$ / kW PLC
C/I Equipment Program - Small	$	(0.02)
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	0.05
Customer Load Response Program	$	0.02
Customer Resources Demand Response Program	$	0.08
Distributed Generation Program	$	0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	0.20
Governmental Custom Incentives - Sch 30	$	0.12
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	0.05
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.51
Billing Determinants Dec '11 thru May '13		kW PLC
Tariff No. 39, Schedule 30 (large)		6,609,147
Average usage		kW PLC
Tariff No. 39, Schedule 30 (large)		708
Total EE&C Surcharge for average usage		$ / month
Tariff No. 39, Schedule 30 (large)	$	362.44

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 40

Tariff No. 39, Schedule 40 EE&C Surcharge post-tax*		$ / kW PLC
C/I Equipment Program - Small	$	-
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	0.21
Customer Load Response Program	$	0.02
Customer Resources Demand Response Program	$	0.09
Distributed Generation Program	$	0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	-
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	-
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.34

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 39, Schedule 40	9,300,925

Average usage	kW PLC
Tariff No. 39, Schedule 40	4,297

Total EE&C Surcharge for average usage		$ / month
Tariff No. 39, Schedule 40	$	1,454.07

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 41

Tariff No. 39, Schedule 41 EE&C Surcharge post-tax*	$ / kW PLC
C/I Equipment Program - Small	$ -
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -
C/I Equipment Program - Large	$ 0.20
Customer Load Response Program	$ 0.03
Customer Resources Demand Response Program	$ 0.10
Distributed Generation Program	$ 0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -
Governmental Lighting	$ -
Governmental Custom Incentives - Sch 30	$ -
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$ -
Street Lighting - Weighted Average All Replacements	$ -
Total EE&C Surcharge post-tax*	$ 0.35

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 39, Schedule 41	278,676

Average usage	kW PLC
Tariff No. 39, Schedule 41	7,741

Total EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 41	$ 2,717.09

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 44

Tariff No. 39, Schedule 44		
EE&C Surcharge post-tax*		$ / kW PLC
C/I Equipment Program - Small	$	-
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	0.21
Customer Load Response Program	$	0.02
Customer Resources Demand Response Program	$	0.09
Distributed Generation Program	$	0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	-
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	-
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.33
Billing Determinants Dec '11 thru May '13		kW PLC
Tariff No. 39, Schedule 44		162,738
Average usage		kW PLC
Tariff No. 39, Schedule 44		9,041
Total EE&C Surcharge for average usage		$ / month
Tariff No. 39, Schedule 44	$	3,010.14

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 39, Schedule 46

Tariff No. 39, Schedule 46 EE&C Surcharge post-tax*	$ / kW PLC
C/I Equipment Program - Small	$ -
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$ -
C/I Equipment Program - Large	$ 0.21
Customer Load Response Program	$ 0.02
Customer Resources Demand Response Program	$ 0.09
Distributed Generation Program	$ 0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$ -
Governmental Lighting	$ -
Governmental Custom Incentives - Sch 30	$ -
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$ -
Street Lighting - Weighted Average All Replacements	$ -
Total EE&C Surcharge post-tax*	$ 0.34

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 39, Schedule 46	3,845,988

Average usage	kW PLC
Tariff No. 39, Schedule 46	106,833

Total EE&C Surcharge for average usage	$ / month
Tariff No. 39, Schedule 46	$ 36,302.36

*Includes 5.9% GRT

WEST PENN POWER CO.
Levelized Surcharge Summary
Non-Residential
Tariff No. 37

Tariff No. 37		
EE&C Surcharge post-tax*		$ / kW PLC
C/I Equipment Program - Small	$	-
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	0.07
Customer Load Response Program	$	0.02
Customer Resources Demand Response Program	$	0.08
Distributed Generation Program	$	0.02
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	-
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	0.05
Street Lighting - Weighted Average All Replacements	$	-
Total EE&C Surcharge post-tax*	$	0.23

Billing Determinants Dec '11 thru May '13	kW PLC
Tariff No. 37	999,630

Average usage	kW PLC
Tariff No. 37	55,535

Total EE&C Surcharge for average usage	$ / month
Tariff No. 37	$ 12,851.64

*Includes 5.9% GRT

WEST PENN POWER CO.
Levellzed Surcharge Summary
Street & Area Lighting
Tariff No. 39, Schedules 51-58, 71

Tariff No. 39, Schedules 51-58, 71 EE&C Surcharge post-tax*		$ / kWh
C/I Equipment Program - Small	$	-
Time of Use (TOU) with Critical Peak Pricing (CPP) Rate	$	-
C/I Equipment Program - Large	$	-
Customer Load Response Program	$	-
Customer Resources Demand Response Program	$	-
Distributed Generation Program	$	-
Governmental LED Traffic/Pedestrian Signals - Sch 20	$	-
Governmental Lighting	$	-
Governmental Custom Incentives - Sch 30	$	-
Conservation Voltage Reduction (CVR) Program - Distribution voltages	$	-
Street Lighting - Weighted Average All Replacements	$	0.00037
Total EE&C Surcharge post-tax*	$	0.00037

Billing Determinants Dec '11 thru May '13	kWh
Tariff No. 39, Schedules 51-58, 71	118,960,945

*Includes 5.9% GRT