

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>PETITION OF PECO ENERGY</b>	<b>:</b>	
<b>COMPANY FOR APPROVAL OF ITS</b>	<b>:</b>	
<b>ACT 129 PHASE II ENERGY</b>	<b>:</b>	<b>DOCKET NO. M-2012-2333992</b>
<b>EFFICIENCY AND CONSERVATION</b>	<b>:</b>	<b>DOCKET NO. P-2014-</b>
<b>PLAN</b>	<b>:</b>	

**EXHIBIT A**

**To The Petition Of PECO Energy Company For Approval Of Amendments to Its  
Act 129 Phase II Energy Efficiency And Conservation Plan**

This exhibit presents a summary of changes to the Phase II Energy Efficiency and Conservation Plan for which PECO Energy Company (“PECO” or the “Company”) is seeking approval in the above-referenced Petition (“Petition”). The summary provides comparisons of PECO’s proposed program budget, incentive costs, projected energy savings, projected peak demand reduction, net benefits and Total Resource Cost (“TRC”) cost/benefit ratio to current levels under the Company’s Phase II Plan approved by the Commission on May 9, 2013. All changes are reflected in PECO’s amended Phase II Plan provided as Exhibit B and Exhibit C (redline version) to the Petition.

1. **Residential Programs**

A. ***PECO Smart Appliance Recycling***

Measure Level Change Highlights:

- Reduced the Appliance Recycling incentive to \$35 (but no change to the incentive level range).
- Refrigerator retirement measure participation reduced from 30,000 to 14,038 units over Phase II period.

PECO Smart Appliance Recycling Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$7,229,906	\$5,001,431	-31%
Total PY 2013 - PY 2015 MWh Savings	40,884	29,960	-27%
Total PY 2013 - PY 2015 Peak MW Reduction	5.1	3.6	-29%

## B. *PECO Smart Home Rebates Program*

### Measure Level Change Highlights:

- Increase incentives to Smart Home Rebate Key Comprehensive Measures to filed maximum beginning in PY6:
  - Both central AC measures
  - Both ASHP measures
  - Both the 8W and 12W screw-in LEDs
  
- Increase participation beginning in PY6 is as follows:
  - Central AC increase ~10%
  - ASHP increase ~10%
  
- 7.7% of CFL savings are transferred out of Smart Home Rebates and applied to the C&I Sector savings.

PECO Smart Home Rebates Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$44,160,855	\$50,865,017	15%
Total PY 2013 - PY 2015 MWh Savings	280,860	226,058	-20%
Total PY 2013 - PY 2015 Peak MW Reduction	38.4	55.8	45%
TRC	1.3	1.2	-8%

### C. *PECO Smart House Call*

Measure Level Change Highlights:

- Advanced Power Strip participation reduced to zero.
- Significant participation decreases in:
  - ASHP duct sealing
  - Kitchen and Bathroom aerators
  - Pipe Wrap
- Significant participation increases in:
  - CFL bulbs
  - Air Sealing
  - Attic Insulation

PECO Smart House Call Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$15,996,683	\$16,415,058	3%
Total PY 2013 - PY 2015 MWh Savings	14,611	13,717	-6%
Total PY 2013 - PY 2015 Peak MW Reduction	1.6	1.6	0%
TRC	0.7	0.6	-10%

**D. PECO Smart Builder Rebates**

Measure Level Change Highlights:

- Minor reduction in per unit demand savings.

PECO Smart Builder Rebates Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$1,710,536	\$1,710,536	0%
Total PY 2013 - PY 2015 MWh Savings	409	409	0%
Total PY 2013 - PY 2015 Peak MW Reduction	0.1	0.1	-3%
TRC	0.2	0.2	0%

## E. *PECO Low-Income Energy Efficiency (LEEP) Program*

### Measure Level Change Highlights:

- Significant reductions in savings for Electric Base- Basic and Electric Base- Major energy savings, however, demand savings are increased significantly.
- Low-Income Energy Efficiency program to increase participation of refrigerator measures as well as increasing CFL participation through community events.

PECO LEEP Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$23,843,076	\$23,843,896	0%
Total PY 2013 - PY 2015 MWh Savings	49,365	52,687	7%
Total PY 2013 - PY 2015 Peak MW Reduction	3.2	7.0	118%
TRC	1.5	1.5	-2%

**F. *PECO Smart Energy Saver Program***

Measure Level Change Highlights:

- Overall program budgets reduced reflecting lower costs/kit.
- Added two types of kits, with some including water savings measures
- Revised kit savings estimates

PECO Smart Energy Saver Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$1,612,272	\$1,363,555	-15%
Total PY 2013 - PY 2015 MWh Savings	2,874	5,939	107%
Total PY 2013 - PY 2015 Peak MW Reduction	0.1	0.5	278%
TRC	1.1	2.8	159%

## G. *PECO Smart Usage Profile*

### Measure Level Change Highlights:

- Savings for PY 2013 and PY 2014 are set to zero, even though the program exists in those years and expenses are being incurred. Savings are only being claimed in PY 2015, which is a change that complies with PUC/SWE guidance.

PECO Smart Usage Profile Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$2,977,272	\$2,977,272	0%
Total PY 2013 - PY 2015 MWh Savings	50,800	20,000	-61%
Total PY 2013 - PY 2015 Peak MW Reduction	6.3	2.5	-60%
TRC	1.9	0.7	-63%



## H. *PECO Smart AC Saver (Residential)*

### Measure Level Change Highlights:

- Increased program budget for PY 2014 and PY 2015.
- PECO estimates that the program delivery, equipment, and incentive level costs for PY 2014 and PY2015 for the Smart AC Saver programs will increase (even though savings remain the same) given the need to enroll new customers to replace those who decide not to continue, as well as due to anticipated re-negotiated contracts with the CSP service providers in PY 2014 and PY 2015.
- Benefit-cost analysis for the Smart AC Saver Residential and Commercial program are combined, thereby providing only a single TRC result for both programs.

PECO Smart AC Saver (Residential) Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$9,358,804	\$28,651,944	206%
Total PY 2013 - PY 2015 MWh Savings	0	0	-
Total PY 2013 - PY 2015 Peak MW Reduction	78.0	78.0	-
TRC	3.0	2.5 <sup>[1]</sup>	148%

[1] Smart AC Saver is primarily a residential program with a small commercial component. Net Benefits and TRC represents benefits and costs from the combined, residential and commercial, program.

## 2. Commercial and Industrial Programs

### A. *PECO Smart Equipment Incentives (C&I)*

Measure Level Change Highlights:

- PY 2013 participation reduced to approximately 62% of the March 2013 filing to reflect actual performance to date.
- PY 2014 and PY 2015 participation reduced to approximately 85% of the March 2013 projected participation, although, this is still significantly higher than what is currently projected for PY2013 in the current version of the model. As such to achieve the higher participation forecasts for PY 2014 and PY2015. Full implementation of the original outreach and marketing plan must be employed.

PECO Smart Equipment Incentives (C&I) Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$42,667,790	\$33,898,431	-21%
Total PY 2013 - PY 2015 MWh Savings	270,869	211,938	-22%
Total PY 2013 - PY 2015 Peak MW Reduction	60.7	47.9	-21%
TRC	2.0	2.0	0%

## B. *PECO Smart Business Solutions*

Measure Level Change Highlights:

- Significant reduction in CSP cost.
- CFL savings somewhat reduced due to TRM change.

PECO Smart Business Solutions Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$8,444,439	\$4,364,398	-48%
Total PY 2013 - PY 2015 MWh Savings	43,867	37,483	-15%
Total PY 2013 - PY 2015 Peak MW Reduction	9.4	7.9	-16%
TRC	1.5	2.0	33%

### C. *PECO Smart Multi-Family Solutions Program*

#### Measure Level Change Highlights:

- Significant reduction in CSP cost.
- Residential Sector:
  - CFL participation in PY 2013 is approximately 50% of the March 2013 planned participation.
  - Participation expected to increase to approximately 75% of the March 2013 plan in both PY 2014 and PY 2015.
- Commercial Sector:
  - CFL participation is less than 10% of the March 2013 filing
  - Significant participation increases in new T8/T5 fixtures make up for loss in CFL savings.

PECO Smart Multi-Family Solutions (Res) Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$5,022,713	\$3,355,375	-33%
Total PY 2013 - PY 2015 MWh Savings	8,860	7,894	-11%
Total PY 2013 - PY 2015 Peak MW Reduction	0.6	1.1	83%
TRC	1.1	1.7	55%

PECO Smart Multi-Family Solutions (C&I) Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$4,788,559	\$3,383,185	-29%
Total PY 2013 - PY 2015 MWh Savings	12,395	12,306	-1%
Total PY 2013 - PY 2015 Peak MW Reduction	1.0	2.3	130%
TRC	1.0	1.6	58%

#### D. *PECO Smart Construction Incentives*

##### Measure Level Change Highlights:

- PY 2013 participation reduced to approximately 77% of the March 2013 filing to reflect actual performance.
- PY 2014 and PY 2015 remained at 100% of the March 2013 filing participation rate.
  - This represents a significant ramp up in participation between PY 2013 and PY 2104.
  - Full implementation of the original outreach and marketing plan must be employed to achieve increased participation relative to the PY 2013 participation level.

PECO Smart Construction Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$12,197,200	\$10,606,956	-13%
Total PY 2013 - PY 2015 MWh Savings	78,871	72,768	-8%
Total PY 2013 - PY 2015 Peak MW Reduction	18.8	17.4	-7%
TRC	1.6	1.6	0%

## E. *PECO Smart Equipment Incentives (GNI)*

### Measure Level Change Highlights:

- PY 2013 participation reduced to approximately 70% of the March 2013 filing to reflect actual performance.
- PY 2014 and PY 2015 participation reduced to approximately 85% of the March 2013 projected participation, although, this is still significantly higher than what is currently projected for PY2013 in the current version of the model. As such to achieve the higher participation forecasts for PY 2014 and PY2015. Full implementation of the original outreach and marketing plan must be employed.

PECO Smart Equipment Incentives (GNI) Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$23,363,230	\$20,318,877	-13%
Total PY 2013 - PY 2015 MWh Savings	103,748	83,012	-20%
Total PY 2013 - PY 2015 Peak MW Reduction	35.0	27.8	-21%
TRC	1.9	1.7	-11%

## F. *PECO Smart On-Site*

### Measure Level Change Highlights:

- Participation adjusted to as-reported levels projected in September/November 2013.
  - Due to long lead times, Navigant did not attempt to adjust participation numbers.
- Savings per MW are adjusted to as-reported values which were significantly higher than the original projections.
  - Higher savings values are primarily due to plants projected to run at higher capacity for longer run hours than originally projected.
- Participation in PY 2014 and PY 2015 is significantly lower than originally projected.
  - Most of the reduction in participation is due to a very large project originally projected for PY 2015 is no longer projected to complete in Phase II.

PECO Smart On-Site Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$14,877,812	\$9,162,725	-38%
Total PY 2013 - PY 2015 MWh Savings	135,003	105,958	-22%
Total PY 2013 - PY 2015 Peak MW Reduction	28.5	13.3	-53%
TRC	1.2	3.9	225%

## G. *PECO Smart AC Saver (Commercial)*

### Measure Level Change Highlights:

- Allocation of additional budget so the program may continue through PY 2014 and PY 2015
- PECO estimates that the program delivery, equipment, and incentive level costs for PY 2014 and PY2015 for the Smart AC Saver programs will increase (even though savings remain the same) given the need to enroll new customers to replace those who decide not to continue, as well as due to anticipated re-negotiated contracts with the CSP service providers in PY 2014 and PY 2015.
- Benefit-cost analysis for the Smart AC Saver Residential and Commercial program are combined for the February'14 plan version, thereby providing only a single TRC result for both programs.

PECO Smart AC Saver (Commercial) Program Level Changes	March'13	February'14	% Difference
Total PY 2013 - PY 2015 Program Budget	\$531,221	\$1,620,329	205%
Total PY 2013 - PY 2015 MWh Savings	0	0	-
Total PY 2013 - PY 2015 Peak MW Reduction	2.6	2.6	-
TRC	1.0	2.5 <sup>[1]</sup>	148%

[1] Smart AC Saver is primarily a residential program with a small commercial component. Net Benefits and TRC represents benefits and costs from the combined, residential and commercial, program.