

**ComEd's 2008 – 2010
Energy Efficiency / Demand Response
Plan**



Year 1 – 2nd Quarter Performance Update
(June 2008 – November 2008)

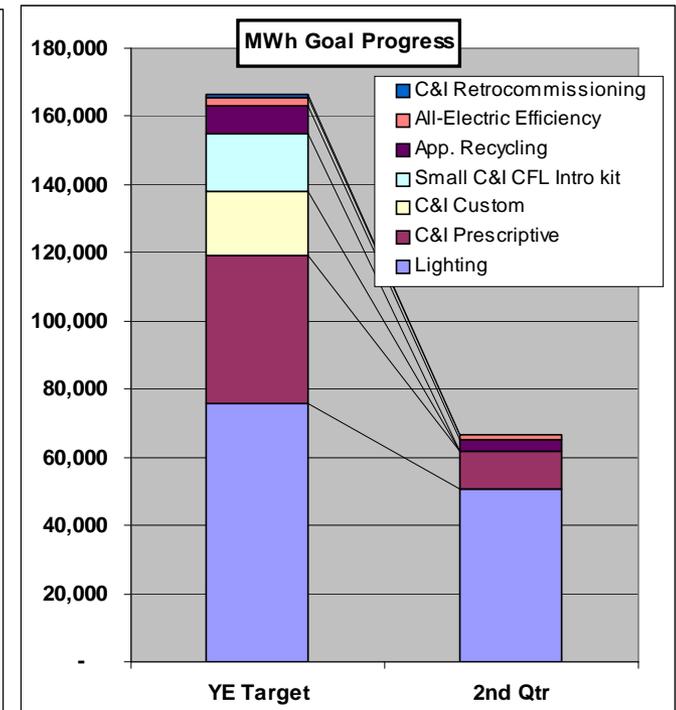
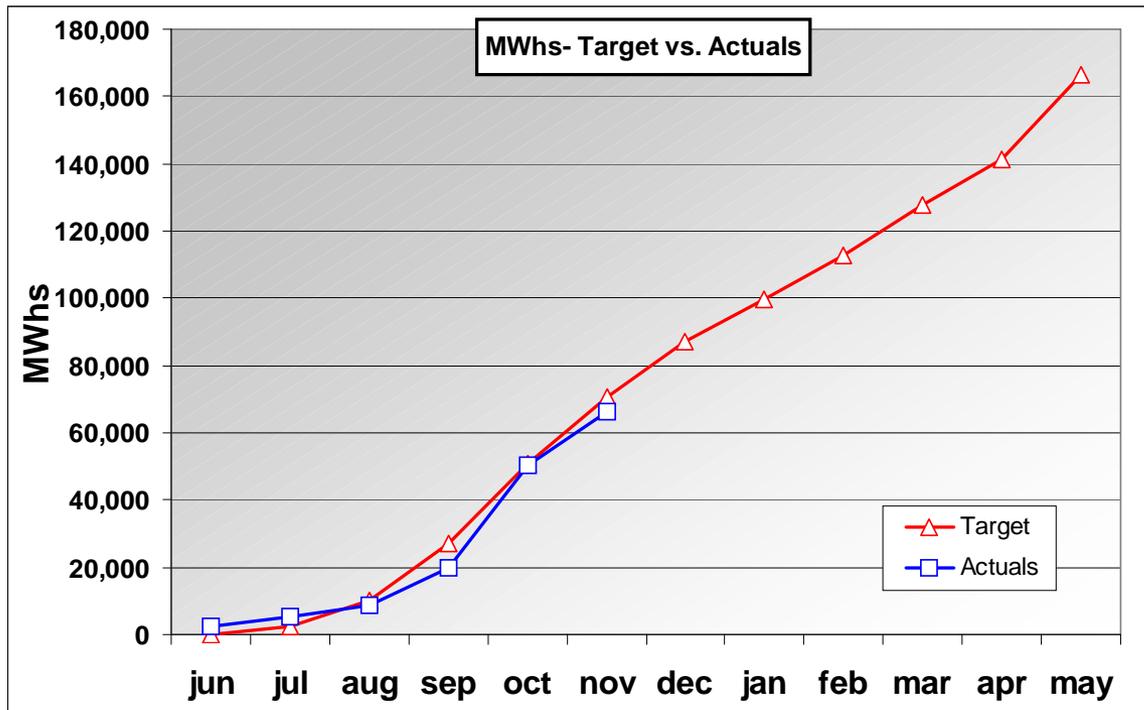


Portfolio Results			
	2nd Qtr Results	1st Year Goal	Pct of Goal Achieved
Energy Saved (MWhs)	66,428	166,430	40%
Carbon Reduction (MTs)	47,027	94,158	50%
Portfolio Jobs	54		

* **Portfolio Jobs** reflect actual positions by ComEd and its contractors that are part of the Rider EDA and does not attempt to capture indirect jobs in the energy efficiency industry that may result from the ComEd portfolio

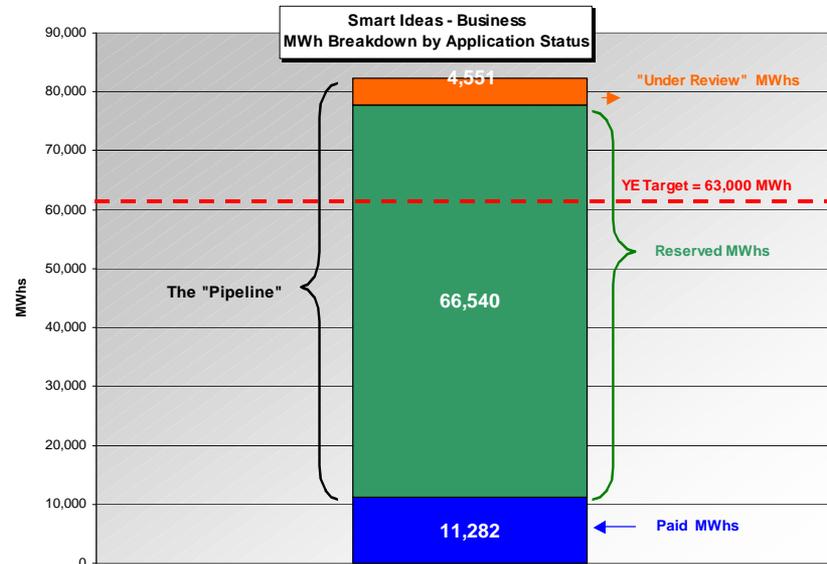
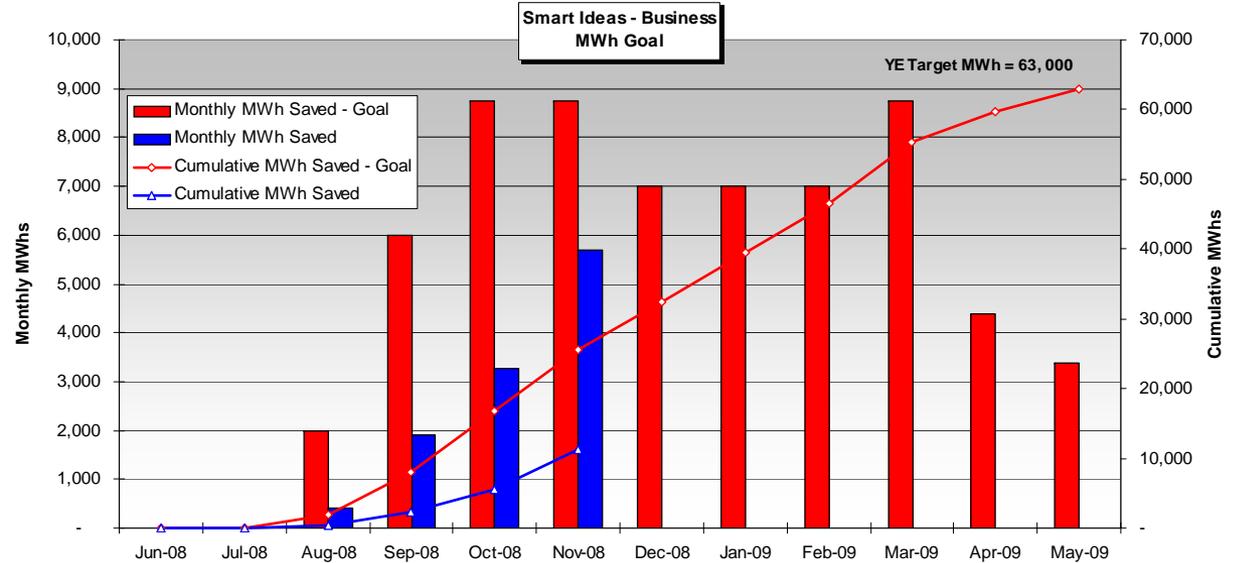
ComEd's portfolio is on-track to achieve its' 1st year goal of 166,430 MWhs

- The Business Solutions program activity has been brisk; All funds are currently reserved and a customer waiting list has been filled
- The Residential Solutions programs are on-track
 - ENERGY STAR Lighting Program has sold over 1.6M CFLs
 - Appliance Recycling Program has picked up over 7,300 units
 - All-Electric Efficiency Upgrade Program has retrofitted nearly 1,700 multi-family units



Program Overview

- The Program's goal is 63,000 MWh
- ComEd has a total of 441 active applications, totaling 77,822 MWh (124% of goal)
- Anticipate heavy payment activity from Dec – Feb as reserved projects are complete
- **Completed Projects**
 - 93 applications
 - 11,282 MWhs saved (18% of goal)
 - \$1,2M incentives paid
- **Reserved Projects**
 - 328 applications
 - 66,540 MWh potential
 - \$6.8M potential Incentives
- **“Under Review” Projects**
 - 20 applications
 - 4,551 MWh potential



Application Status

“Under Review” projects are still being reviewed, in a pre/post inspection period or have incomplete information.

“Reserved” projects have been approved by the implementation team.

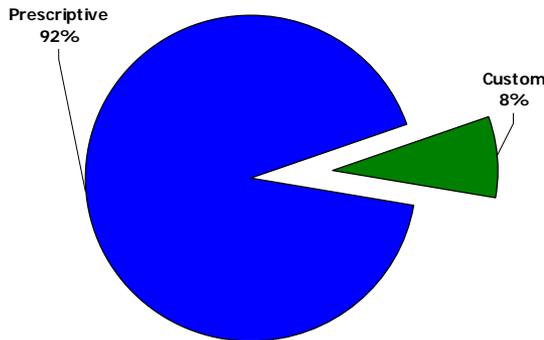
“Paid” projects have been completed by the customer and the associated incentive payment has been sent.

Program Highlights

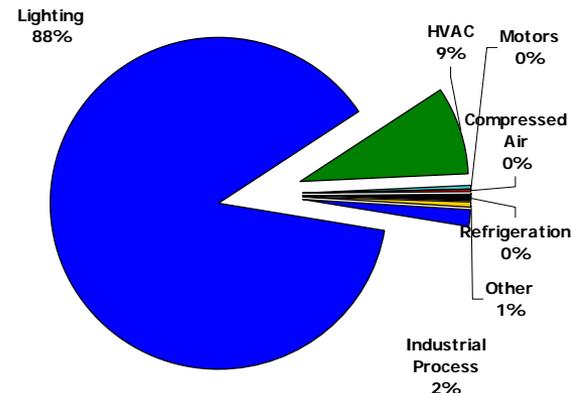
- Prescriptive and Custom incentives have seen heavy interest and demand with over \$12.5 million in incentive requests
- To manage high demand, ComEd implemented a “Wait List” process for applications received after Sept. 9, 2008 and then closed the application process on Nov. 1, 2008. The current plan is to accept new applications for Program Year 2 on June 1, 2009.
- Lighting represents 88% of the kWh in active applications
- The kWh of prescriptive applications is 92% of the total, versus 8% for custom applications

The Plan had a 70 / 30 split for prescriptive and custom. The current split is expected given a high participation rate for prescriptive projects in the early stages of implementation

MWh Savings by Project Type



MWh Savings by Technology



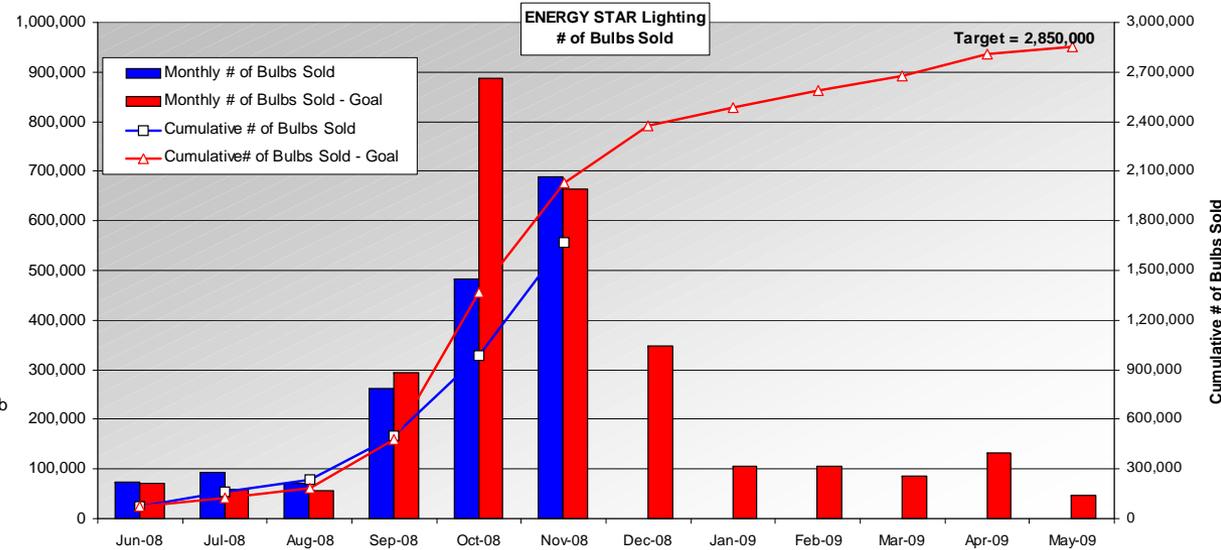
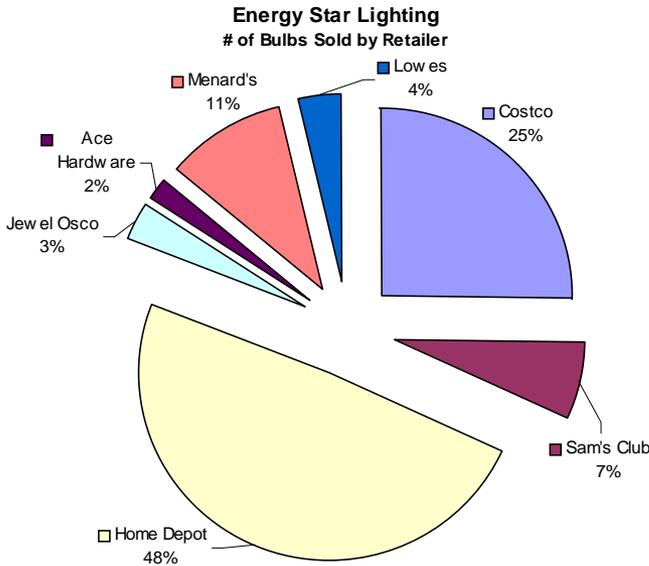
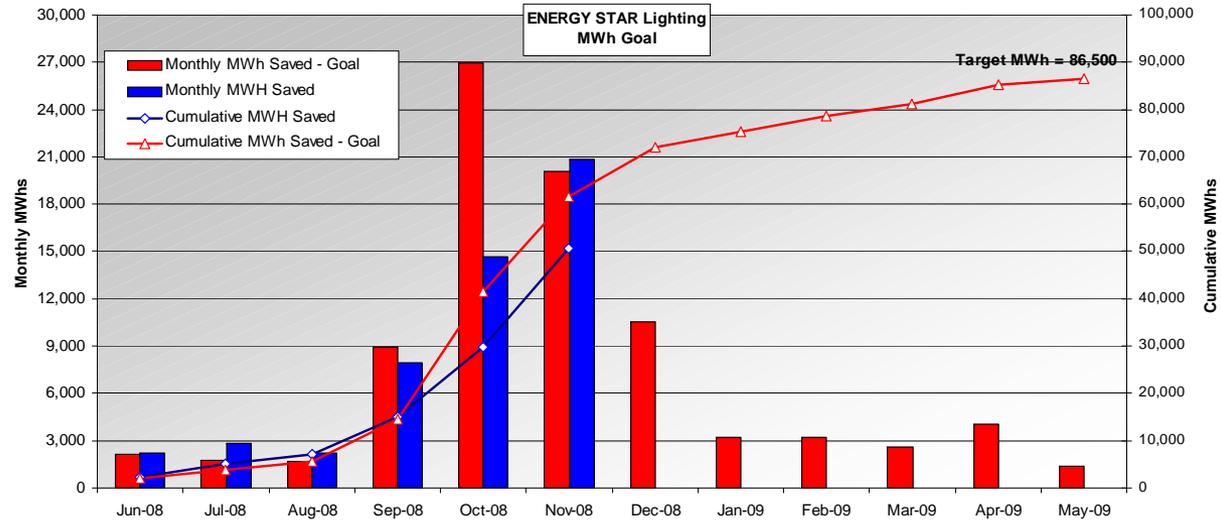
Program Challenges / Issues

- Managing oversubscription
 - Wait list
 - Closing down application process
 - Communications to customers
- Working through over 300 reserved projects (worth ~66.5 GWH) into completed or cancelled projects
- Transitioning to Plan Year 2 incentives and launching Retrocommissioning, New Construction and Small C&I Intro Kit

Smart Ideas for your Home – ENERGY STAR™ Lighting

Overview

- The Program's goal is 86,500 MWhs, totaling 2.85 million CFLs
- Results thru 11/30/08
 - 1,670,000 CFL bulbs sold
 - 50,644 MWhs saved (59% of yearend goal)



Program Highlights

- Phase 1 was successful for several reasons –
 - Phase 1 focused only on specialty CFLs (e.g., reflector bulbs), so the more common “twist” CFLs were not part of the offer
 - Phase 1 was only in three retailers – Costco, Sam’s Club and The Home Dept – of which 2 of the three (Costco and Sam’s Club) are membership warehouses where a membership is required; not all potential customers could make purchases at these two retailers
- Phase II has been very successful to date –
 - Added 428 additional participating retailers, sold nearly 1.7M CFLs and have achieved 60% of the goal

Program Challenges / Issues

- The challenge for Phase III will be sustaining CFL inventory at most of the participating retailers through April 2009.

Smart Ideas for your Home – Appliance Recycling

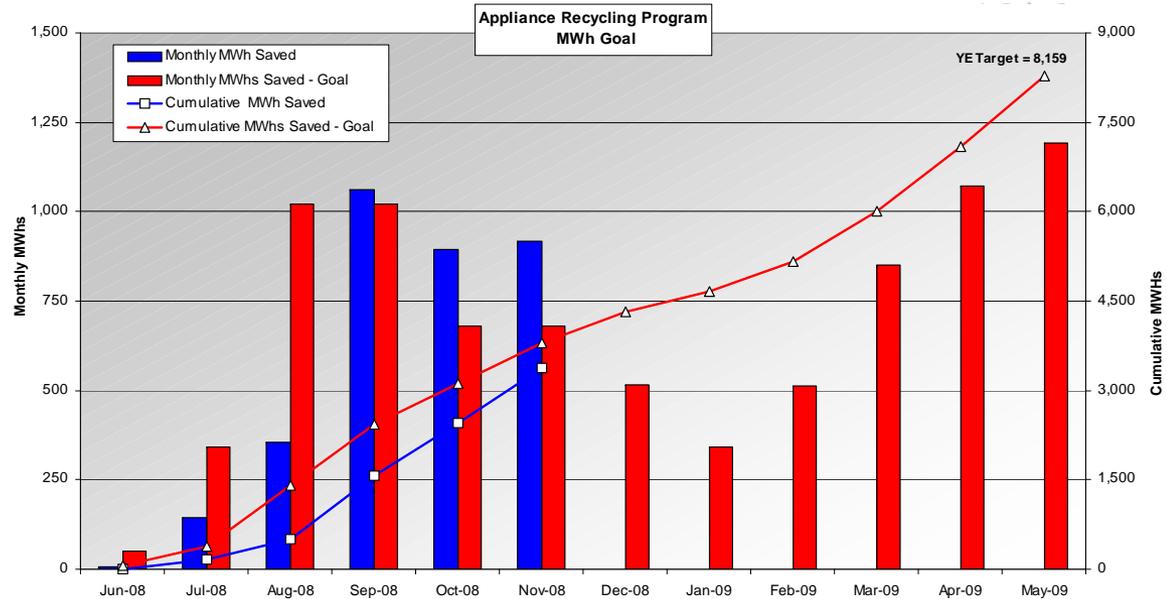


Overview

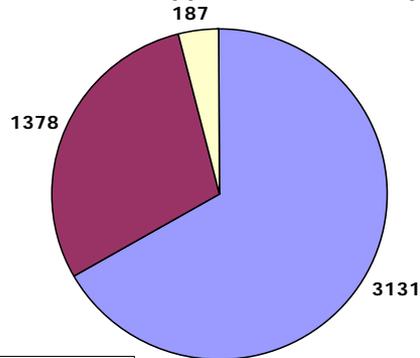
- The Program's goal is 8,159 MWhs, targeting 15,198 enrollments

Results thru 11/30/08

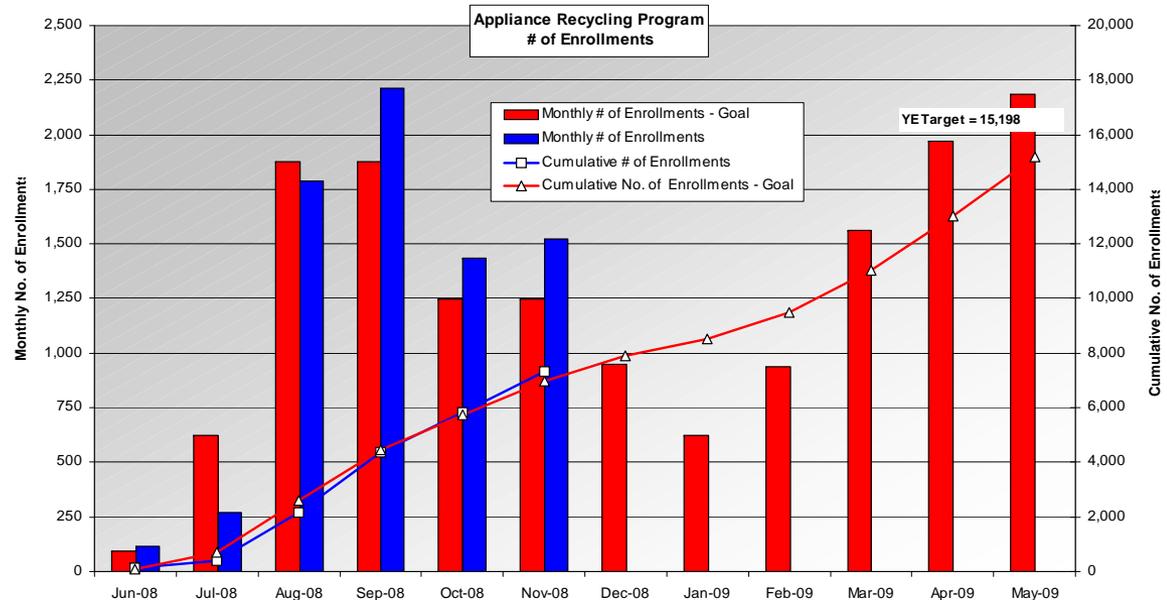
- 3,376 MWhs saved vs. 6 month target of 3,795 MWhs
- 4,696 appliances picked up
- 41% of Plan MWh goal achieved



Total # of Appliances Picked Up



- # of Refrigerators Picked Up
- # of Freezers Picked Up
- # of Room ACs Picked Up



Program Highlights

- ComEd’s ability to use bill inserts successfully has kept the program’s acquisition cost per recycled unit below the Plan’s estimate
- JACO’s recycling facility has been fully operational since September. All refrigerants, oils, PCBs, plastics, metal, glass and CFC insulation are recycled. Rubber gaskets are the only waste material.
- Through 11/30/08, program at 41% of goal, nearly 5,000 units
- 69% of customers say they learned about the program through the bill insert
- 2009 marketing campaign includes January and March bill inserts, April [Energy@Home](#) newsletter, and Chicago Tribune ads
- Implementing a retail pilot program with Abt Appliance, allowing customers to have their refrigerator taken by Abt when a new refrigerator is delivered rather than having the old appliance resold on the secondary market (or requiring the customer to schedule a separate pick-up through ComEd)
- Program will be marketed through ComEd’s External Affairs managers, with “news items” created for community newsletters

Program Challenges / Issues

- Reaching 1st year goal primarily through bill inserts is very achievable; When the program increases 225% for the 2nd year, more aggressive and expensive marketing tactics are expected to be required.

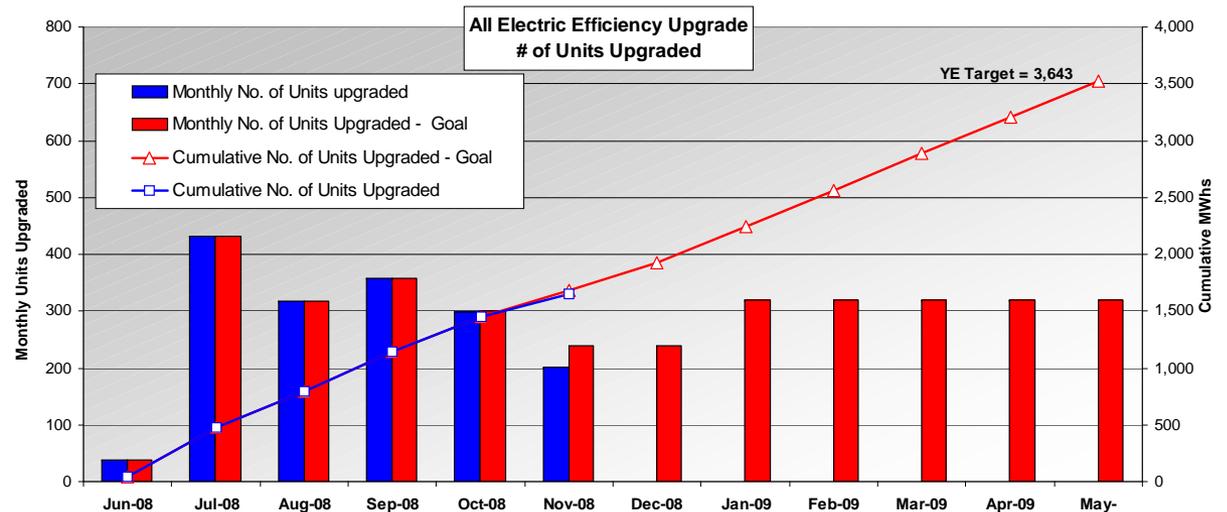
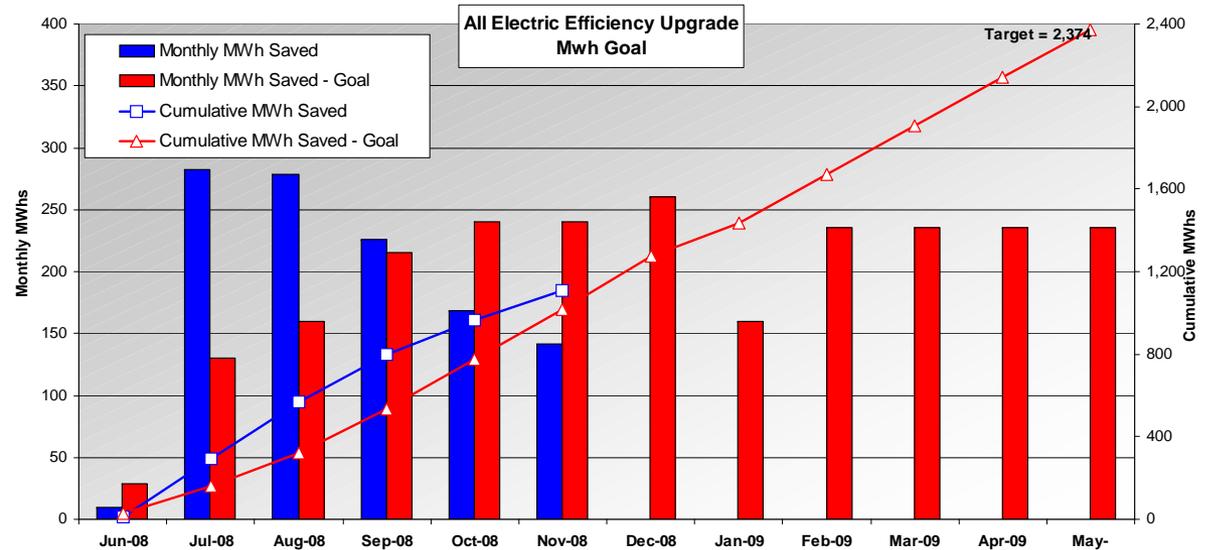
Smart Ideas for your Home – All-Electric Efficiency Upgrade

Overview

- The Program's goal is 2,374 MWh and 3,643 units upgraded

Results thru 11/30/08

- 1,647 units upgraded (45% of goal) (i.e., at least one energy conservation measure has been performed in each unit)
- 1,106 MWhs saved (47% of goal)
- Total # of units in buildings surveyed 4,732 – 35% of units in these buildings have been upgraded
- Showerheads contribute the largest share of MWh savings, followed closely by CFLs



Program Highlights

- Have teamed with ComEd's Account Management team to work with Building Owners / Landlords of multi-family dwellings
- Early results of a customer survey show a very high customer satisfaction

Program Issues

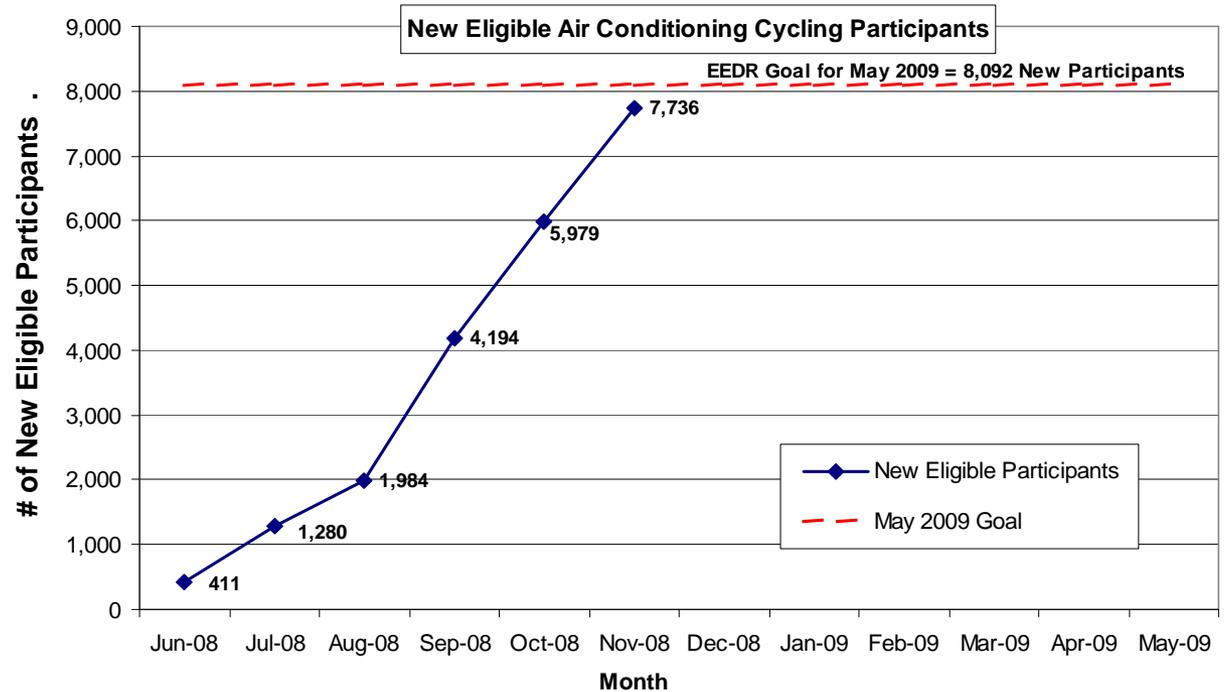
- Significant percentage of buildings listed as all-electric have non-electric water heating
- Hot water heater wraps are not an opportunity for kWh savings due to warranty issues

Overview

- The AC Cycling program is a residential central air conditioner direct load control program designed to meet the Plan's demand response requirement.
- The Program's goal is 11.7 MWs and 8,092 new participants

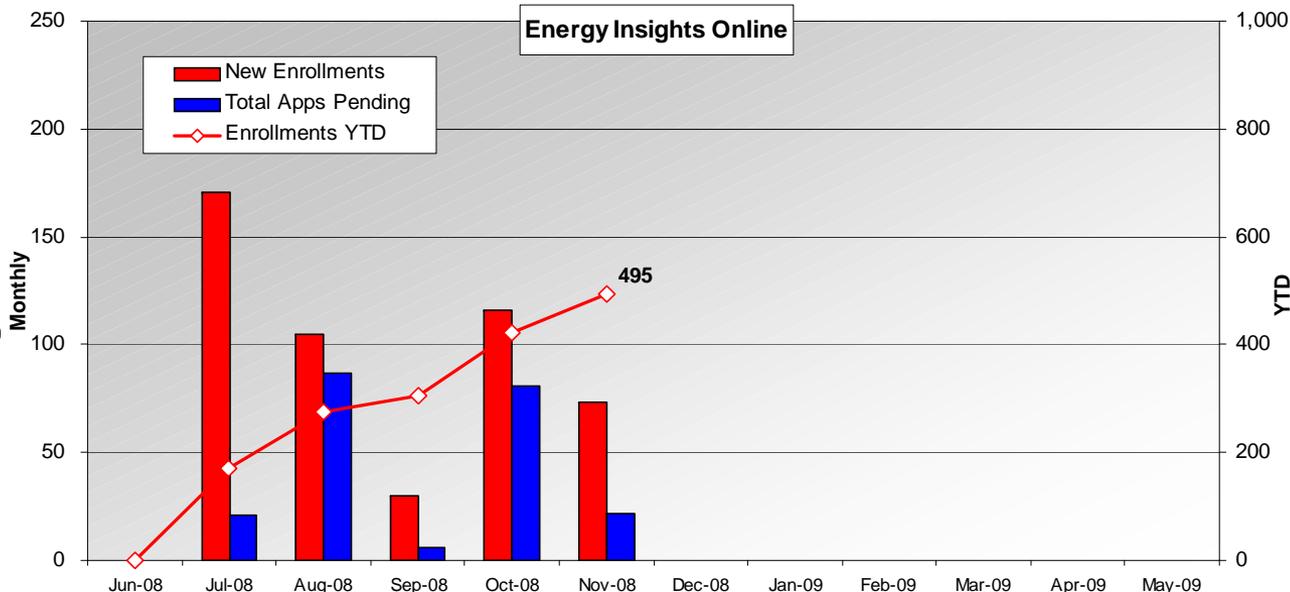
Results thru 11/30/08

- 7,736 new participants have been added to the program *(96% of the goal)*
- 11.2 MWs of controllable load have been obtained *(96% of goal)*



Overview

- Energy Insights Online is a Web-based energy analysis service
 - The service interprets data gathered from the customer's recording meters and converts either monthly or daily data into easy-to-understand graphs and reports that show how much electricity they consume
- Originally, ComEd offered this service as a “for-profit” service to customers
- As part of the EE/DR Plan, ComEd committed to making this information free to all C&I customers



Results thru 11/30/08

- Almost 500 additional C&I customers have signed up for this service

For the 3 year EE/DR Plan, ComEd has allocated approximately \$1M per year for the investigation of emerging technologies / R&d projects

- Note that the law allows up to 3% of the spending screen be allocated to these types of projects. Due to the budget constraints, ComEd does not allocate the maximum amount in any year
- Two Key Pilot Programs are being launched
 - Community Energy Challenge Pilot Program
 - Positive Energy “Home Energy Report” Pilot Program
- **“Community Energy Challenge” Pilot Program**
 - ComEd, working with Shaw Environmental, has developed a “contest” with 12 municipalities competing for a \$100,000 cash prize by saving energy
 - The communities are Aurora, Carol Stream, Elgin, Evanston, Highland Park, Hoffman Estates, Northbrook, Oak Park, Orland Park, Palatine, Schaumburg and Wilmette.
 - The concept is to test out community-delivered energy efficiency programs to determine if municipalities are a cost-effective means to deliver energy efficiency programs; ComEd will reserve \$2M of its EE Plan’s incentive dollars for these municipalities
 - In November, conducted a project charrette to roll-out the program concept to the communities and solicit their feedback and ideas
 - Next Steps –
 - Complete plan evaluation design criteria – roll-out to municipalities in January
 - Work with municipalities to develop energy efficiency plan – January – April

- **Positive Energy “Home Energy Report” Pilot Program**

- ComEd, working with Positive Energy, will offer a pilot program to 50,000 residential customers where these customer will receive bi-monthly reports that illustrates their energy usage compared to their “average” neighbors and their “more energy efficiency” neighbors
- The intent is to demonstrate that customers will change their behavior, resulting in less energy usage, due to being provided information about their usage and how to better manage their usage
 - This is a different approach to an energy efficiency program in that it does not directly target a technology (e.g., CFLs, HVAC), but rather targets customer’s behavior
- Current Activities
 - Still in final stages of contract negotiations with Positive Energy; expectation is to have signed contract by year end
 - Began the internal process to allocate required internal resources (i.e., IT, customer service) that will necessary to launch this program
- Next Steps
 - Working with internal IT and Positive Energy, identify 50,000 customer sample
 - Develop required data transfer protocols with Positive Energy

- **Other Emerging Technology / R&D Activities**

- E-Source Membership
- EPRI Energy Efficiency Component Membership
- Development of 3 year R&D plan

- **Evaluation Consultants (Ralph Prah / Gil Peach)**
 - The Evaluation consultants retained by the Stakeholder Advisory Group (SAG) have begun work in the Evaluation Framework that will be used across the entire state
- **Evaluation Contractors (ComEd / DCEO programs)**
 - ComEd conducted a RPF for evaluation service that covered all of ComEd’s programs, plus the DCEO program that cross both ComEd’s and Ameren’s service territory
 - Two strong bids were received, consisted of multiple evaluation firms
 - ComEd selected the evaluation team led by Summit Blue as the prime contractor
 - Subcontractors include ITRON, ODC and Michaels Engineering
 - Current Status – negotiating final contract; expect to be complete by year end
 - Next Step – download evaluation contractor with current program data, including meetings with all implementation contractors

Program Descriptions

Program Objective

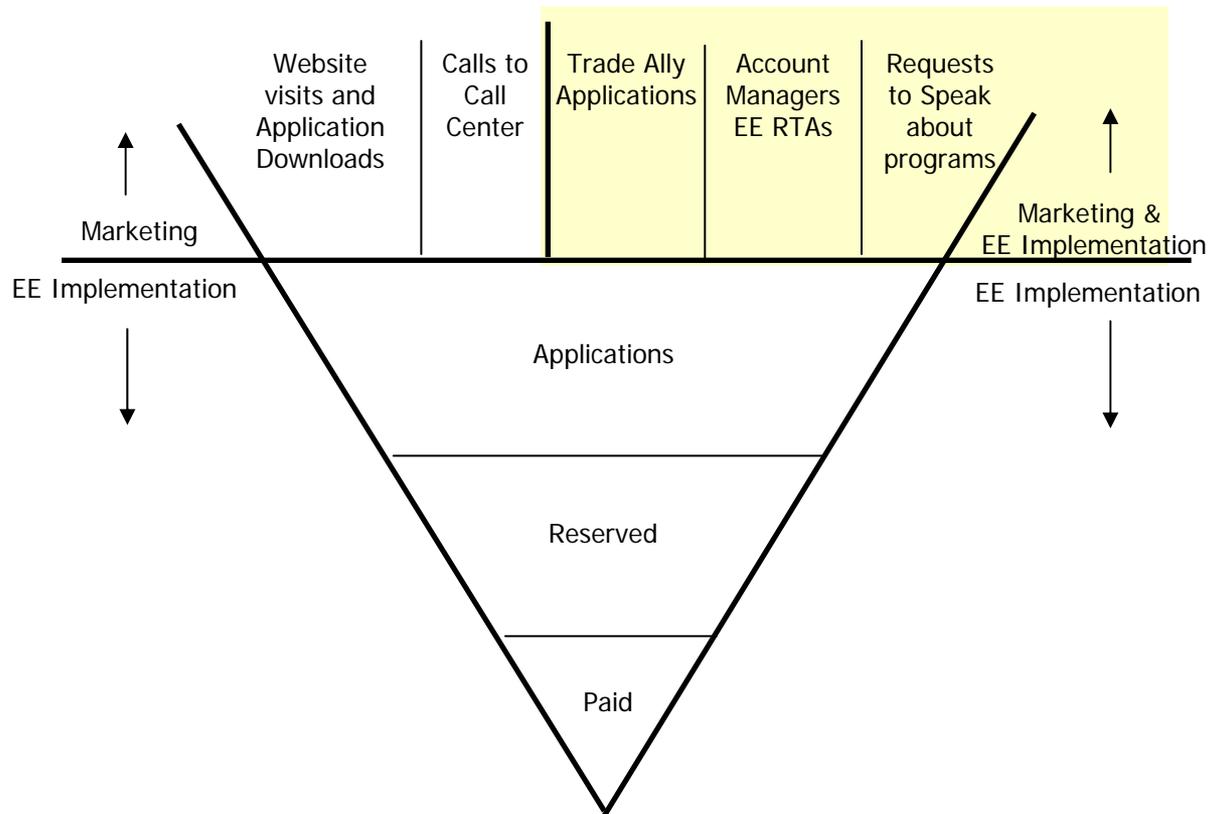
- Obtain kWh savings by offering Prescriptive and Custom incentives to motivate customers to purchase and install high efficiency equipment (e.g., lighting, hvac, refrigeration)

Program Contractor

- KEMA

Program Description

- *Smart Ideas for your Business* consists of three program elements:
 - **Prescriptive** – pre-set incentives for specific equipment
 - **Custom** – calculated incentives based on project kWh saving projections
 - **Retrocommissioning** – currently, a limited pilot program
- The program is being promoted primarily through ComEd's account management team and the trade ally network
- Customers can obtain program information (e.g., application forms, rebate amounts) directly through their account managers, the trade allies or from the ComEd web site



Program Objective

- Obtain kWh savings by increasing the market share of ENERGY STAR CFLs sold through retail sales channels in response to reduced product costs (retail markdown)

Program Contractor

- Applied Proactive Technologies, Inc. (APT)

Program Description

- For the '08/'09 year, ComEd is implementing a 3 Phase approach –

–Phase I

- “Quick Launch Program” – ~ 4 month period (*June 17 – September 8, 2008*)
- Markdown approach on specialty bulbs (345,000 bulbs made available)
- Participating retailers – Home Depot (60 stores), Sam’s Club (19 stores), Costco (11 stores)

–Phase II

- 3 ½ month period (*September 8 – December 31, 2008*)
- Beginning in September, ComEd implemented a larger inventory of bulbs and is leveraging EPA’s “*Change the World*” campaign
- Primarily a markdown approach on specialty bulbs and standard CFL twists (1.3M CFL twists, .5M specialty twists with an introduction of hardwired fixtures)
- 519 participating retailers - Home Depot (60 stores), Sam’s Club (19 stores), Costco (12 stores), Lowe’s (19 stores), Menard’s (44 stores), Jewel-Osco (170 stores), Ace Hardware (153 stores), Tru-Value (22), Food 4 Less (12) and Do-It-Best (8).

–Phase III

- 4 month period (*January – April 2009*)
- Remaining inventory of bulbs discounted (estimated 500,000 bulbs made available)
- Goal is to focus on any shortfall from Phases I & II in the Spring; may rollover product and extend retailer Memo of Understandings (MOUs) from Fall campaign

Program Objective

- To obtain kWh savings by promoting the retirement and recycling of second refrigerators and freezers and inefficient room air conditioners of residential customers using a \$25 turn-in incentive and free pick-up

Program Contractor

- JACO Environmental

Program Description

- Program launched on June 17th with a media launch event on June 24th
- Appliance recycling facility was fully operational in Lombard, IL on July 15th
- Customers can enroll for the program by calling ComEd or through the ComEd website
- Enrollments are for a pick-up of either a secondary working refrigerator or freezer; old working room air conditioners will be picked-up at the same time, but will not be picked up independently of a refrigerator or freezer
- Primary marketing to date has been through an August bill insert in the ComEd bill

Program Objective

- To obtain kWh savings by the direct installation of no-cost energy efficiency products (e.g., CFLs, faucet aerators, low flow showerheads) to residential customers in all-electric multi-family buildings
- To conduct a common area energy survey for the building owner / landlord to identify potential energy efficiency opportunities and possibly take advantage of the *Smart Ideas for your Business* program

Program Contractor

- Honeywell Utility Solutions

Program Description

- ComEd / contractor works directly with building owners / landlords of all-electric multi-family dwellings to inform them of the program, conduct survey of common area and make the program available to the building residents
- The contractor attempts to complete all installs of the energy efficiency measures in one “sweep” of the building